



**This electronic thesis or dissertation has been
downloaded from Explore Bristol Research,
<http://research-information.bristol.ac.uk>**

Author:

Olivera Zuniga, Patricio

Title:

Analysis of the emergence of two Chilean Conditional Cash Transfer programmes.

General rights

Access to the thesis is subject to the Creative Commons Attribution - NonCommercial-No Derivatives 4.0 International Public License. A copy of this may be found at <https://creativecommons.org/licenses/by-nc-nd/4.0/legalcode>. This license sets out your rights and the restrictions that apply to your access to the thesis so it is important you read this before proceeding.

Take down policy

Some pages of this thesis may have been removed for copyright restrictions prior to having it been deposited in Explore Bristol Research. However, if you have discovered material within the thesis that you consider to be unlawful e.g. breaches of copyright (either yours or that of a third party) or any other law, including but not limited to those relating to patent, trademark, confidentiality, data protection, obscenity, defamation, libel, then please contact collections-metadata@bristol.ac.uk and include the following information in your message:

- Your contact details
- Bibliographic details for the item, including a URL
- An outline nature of the complaint

Your claim will be investigated and, where appropriate, the item in question will be removed from public view as soon as possible.

Analysis of the emergence of two Chilean Conditional Cash Transfer programmes.

Patricio Ricardo Olivera Zuñiga.

A dissertation submitted to the University of Bristol in accordance with the requirements for award of the degree of Doctor of Philosophy in the Faculty of Faculty of Social Sciences and Law.

School of Sociology, Politics and International Studies.

February 2019.

(83855 words)

Abstract

The present study analyses Solidarity Chile and Ethical Family Income, two Chilean programmes aiming at tackling extreme poverty by means of the Conditional Cash Transfer (CCT) scheme. The general question is: Why did Chilean policy makers choose the particular features of these programmes to tackle extreme poverty in Chile? To a large extent, the literature which has analysed the CCTs has neglected the role of the ideas in the configuration of this programmes, specifically the role played by the concepts of “poverty”.

For the analysis of these programmes, this thesis examined two related issues; firstly, the policy making process whereby those features were selected; secondly, the meaning of those selected features. To address those issues in an integrated way, the present research study is informed by the Cultural Political Economy (CPE) framework, developed by Bob Jessop and Ngai-Ling Sum. This study is based on qualitative interviews with policy makers who participated in the design process of Solidarity Chile and Ethical Family Income.

This thesis concluded that the policy makers of these two programmes under study, which belong to two different political coalitions in Chile, made two reductions; namely: 1) they understand that poverty depends on the characteristics of the individuals who are in poverty; 2) they set aside other pressing social problems, such as inequality, low salaries among others, placing the focus on extreme poverty. I argue that these two reductions express a particular, albeit hegemonic type of poverty knowledge; therefore, in order to overcome the failures of these two Chilean programmes, it turns out necessary to break away from this limiting perspective of poverty and go beyond an individualist approach.

Author's declaration

I declare that the work in this dissertation was carried out in accordance with the requirements of the University's Regulations and Code of Practice for Research Degree Programmes and that it has not been submitted for any other academic award. Except where indicated by specific reference in the text, the work is the candidate's own work. Work done in collaboration with, or with the assistance of, others, is indicated as such. Any views expressed in the dissertation are those of the author.

SIGNED: DATE: 21 February 2019

Dedication

To Valeska and María, who raised me.

Acknowledgements

I would like to start by thanking my supervisors, Gregor McLennan and David Gordon, for their support and guidance and constant interest in my work during my PhD, which was crucial to overcome the difficulties of this process. I thank both for giving me interesting and substantial feedback on what I wrote, and for recommending fruitful literature sources.

I am very grateful for the insightful and honest conversations with Cristian Leyton and Pablo Villatoro at the beginning of this PhD journey, which helped me to shape my research. I want to thank also to Felipe Lagos, whose friendship and rigorous intellectual mind was largely supportive. Cristian Leyton was also key, along with Juan Carlos Feres, in the fieldwork process. I cannot thank enough to all the policy makers and researchers whom I interviewed, without their trust and time this thesis would not have been possible to write. Special thanks to Margarita Ulloa for her friendship and thoughtful assistance with translations of the interview references.

I would also like to thank all my friends in Bristol, who were my family during these years: Mauricio, Yolanda, Eduardo, Juan Pablo, Barbara; Alfredo, Francisca, Cristian, Gianinna, Alice, Tilman, Isidora, Diego, Margarita, Goya, Daniela, Matias, Héctor, Daniel, María Jesus, Claire, Miguel, Carlos and Manuel. My gratitude equally goes to the people of the doctoral office: Lenny, María Teresa, Karina, Magda, Juan Pablo, Francisca, Julio, Matt, Rosa, Philip and Jakob. My parents, María and my siblings have also been very important during this process, and I am deeply grateful to them.

I thank Conicyt-Becas Chile for funding my doctoral studies.

Above all, I would like to thank my partner Valeska for accompanying me in this process and for making me happy with her love.

Contents

Thesis's Introduction	1
Background	1
Problem Statement	2
Research Questions and Objectives	5
Specific Research Questions.....	5
Specific Objectives	5
Thesis Outline.....	7
Chapter 1 – Context.....	9
Chapter's Introduction.....	9
1.1 - Latin American Policy Context.....	11
1.1.1- Social Investments Funds	12
1.1.2- Characteristics of CCTs as a Policy in Latin America	13
1.1.3- Theoretical assumptions of CCTs	14
1.1.4- Social Risk Management - World Bank	15
1.2 - Chile's Socioeconomic Context.....	18
1.2.1- Neoliberalism reforms. Dictatorship and Democracy.....	18
1.2.2- Today's Chilean Economy, neoliberal structural constraints	20
1.2.3- About the Welfare Regime: General discussion	22
1.2.4- Stages in Chilean Welfare regime	24
1.2.5- Socio-Economic Context - Inequality	32
1.3 - Chilean Poverty Policies	36
1.3.1- Poverty Situation and Reduction Explanations	36
1.3.2- Poverty Policies before CCTs	39
1.3.3- Solidarity Chile (SCH).....	41
1.3.4- Ethical Family Income (EFI).....	43
1.3.5- Towards a Chilean Social Protection System.....	45
Chapter's Conclusion	49
Chapter No. 2 – Conceptual Framework.	51
Chapter's Introduction.....	51
2.1 - Concepts of Poverty	52
2.1.1 - Definitions and Concepts	52
2.1.2 - Concepts of what poverty mean.....	53
2.1.3 - Causes of poverty.....	56

2.2 - Human Capital	58
2.3 - Underclass	59
2.4 - Targeting - Deserving/Undeserving	64
2.5 - Co-Responsibility - Deserving/Undeserving	68
2.5.1 - Deserving/Undeserving - Dependence	68
2.5.2 - Signification of deservingness	71
2.6 - Poverty and Psychology	72
2.7 - Conditionalities / Microfoundations of Paternalism	74
2.7.1 - Behavioural Economics	74
2.7.2 - Microfoundations of Paternalism in CCT Programmes	76
2.7.3 - Critiques to Nudge Economics	77
Chapter's Conclusion	79
Chapter 3 – Theoretical and Methodological Framework.....	80
Chapter's Introduction.....	80
3.1 – Theoretical Framework	81
3.1.1- Analyses of the Conditional Cash Transfers	81
3.1.2.- What is missing	85
3.1.3.- New institutionalism	86
3.1.4.- Cultural Political Economy.....	93
3.1.5.- Towards the Application of CPE for the analysis of the Two Chilean CCTs.	97
3.2 – Methodological Framework	102
3.2.1.- Research Approach	102
3.2.2.- Qualitative Methodologies.....	103
Chapter's Conclusion	111
Chapter 4 – Construction of Poverty as a Problem	113
Chapter's Introduction.....	113
4.1. The presidential decision	114
4.1.1 - Solidarity Chile - Presidential decision	114
4.1.2 - Ethical Family Income - Programme of Government.....	116
4.1.3 - Policy makers in charge of the design	117
4. 2. Diagnostics about poverty and policy. Constructing the Extreme Poverty as a Problem.....	120
4.2.1 - Solidarity Chile - Hard-Core Hypothesis	120
4.2.2 - Solidarity Chile - Shortcomings of the public programmes targeted to extremely poor people	122
4.2.3 - Solidarity Chile - Wrong approach of past policies	124
4.2.4 - Ethical Family Income - Failure of SCH for existence of poverty and not labour	126

4.2.5 - Ethical Family Income - Failure of SCH for Assistentialist and Not Tailored.....	127
Chapter's Conclusion	130
Chapter 5 – Construction of the Characteristics of the Extremely Poor	132
Chapter's Introduction	132
5.1 – The Extremely Poor as a specific group.....	134
5.1.1- Main characteristics of the Extremely Poor group	134
5.1.2- Targeting and Vulnerability – Looking and questioning the specific group hypothesis ..	140
5.1.3- Budget - Instrument and force behind the specific group hypothesis	148
5.1.4- Other Technologies behind	149
5.2 - Causes of the Extreme Poverty	151
5.2.1- Human Capital	151
5.2.2- Psychological approach.....	152
5.3 - Families - Reproduction of poverty	154
5.3.1- Families and poverty - Diagnostics	154
5.3.2- Reproduction of poverty in families	155
5.3.2- Actors behind the focus on the Families.....	156
Chapter's Conclusion	158
Chapter 6 – Boundaries of Extreme Poverty as a Problem.....	160
Chapter's Introduction.....	160
6.1 - Boundaries of the Diagnostics	161
6.1.1 – Poverty does not have Structural Causes	161
6.1.2 – Only Families, not Territories nor Communities	165
6.1.3 – Families Need Intervention.....	169
6.1.4 – Role of the state	171
6.1.5 – Poverty as Lack of Income	175
6.2 - Setting the Stage for the Intervention	178
6.2.1 - CCT strategy.....	179
Chapter's Conclusion	182
Chapter 7 – On the Intervention Features.....	185
Chapter's Introduction	185
7.1 - Cash Transfer	187
7.1.1 – Cash Transfer to Alleviate Poverty	187
7.1.2 – Cash Transfer to Induce Behaviours.....	188
7.1.3 – Solidarity Chile – Cash Transfer to Enrol	190
7.1.4 – Ethical Family Income – Types of Cash Transfers.....	190
7.1.5 – Dependency	193

7.2 – Conditionalities	194
7.2.2 – Conditions – Human Capital	194
7.2.1 – Conditions – Enforcement	194
7.3 - Engaging with the Public Programmes	196
7.3.1 – Rights Approach	196
7.4 - Psychosocial Support	199
7.4.1 – Supporting Families.....	199
7.4.2 – Solidarity Chile – Engagement	201
7.4.3 – Ethical Family Income – Axis Programme.....	201
7.4.4 – Ethical Family Income – Socio-Labour Support.....	202
7.4.5 – State into the Household	205
7.5 – Solidarity Chile as Conditional Cash Transfer Programme	206
7.6 – Gender Issues	209
7.6.1 – Intervening on Women - Pragmatic	209
7.6.2 – On the Effects of the Focus on Women.....	210
7.6.3 – Ethical Family Income – Subsidy for Women Employment.....	211
Chapter’s Conclusion	213
Chapter 8 – Concepts of Poverty.....	215
Chapter’s Introduction.....	215
8.1 – Concept of poverty - Characteristics of the non-poor	217
8.1.1- Concepts of Poverty in the Chilean CCT programmes.	217
8.1.2- Characteristics of the non-poor	220
8.2 – Aspects behind the specific features of the programmes.....	223
8.3 – Broad approaches to poverty in Chile.....	228
8.3.1 – Individualist approach to poverty	229
8.3.2 – Poverty instead of Inequality	230
8.3.3 – Towards a New Approach to Poverty.....	231
Chapter’s Conclusion	234
Thesis’s Conclusions	236
Similarities and differences between both Programmes	236
Cultural Political Economy for Public Policies	238
Operationalising Cultural Political Economy for Public Policies.....	240
Concepts of Poverty and Poverty as a Field.....	242
Areas for Future Research	244
Bibliography	246
Appendix.....	268

Appendix 1- Sample Extended	268
Appendix 2- Consent Form in English	271
Appendix 3- Consent Form in Spanish	273
Appendix 4- Information Project Sheet	275

List of Tables

Table 1-1 - Chile - Emergency Social Assistance Programmes in Dictatorship.	28
Table 1-2 - Chile - Real Per Capita Public Expenditure.....	30
Table 1-3 - Chile - Main policy reforms, 1979 - 2012	32
Table 1-4 - Chile and Latin America - Inequality indicators	33
Table 1-5 - Chile - Poverty indicators (1990 to 2011).....	36
Table 1-5 - Chile Neighbourhood - Components.	40
Table 1-7 - Solidarity Chile - Components	42
Table 1-8 - Ethical Family Income - Income transfers	44
Table 2-1 - Paul Spicker - Family Resemblances of Different Concepts of Poverty.	54
Table 3-1 - Sample of Interviews.....	107
Table 3-2 - Topic Guide Interviews.....	108
Table 4-1 - Chile: Population living below Poverty and Extreme Poverty lines. (Percentage of population).....	120

List of Figures

Figure 1-1 - Chile - GDP Growth and Unemployment.....	20
Figure 1-2 - Chile - Exports Indicators.....	22
Figure 1-3 - Chile - GDP per capita and Government Expenditure.....	26
Figure 1-4 - Chile - Total Tax Revenue and by Type of Taxes	35

Abbreviations

AUGE:	Health Reform (Chile)
CAS Record:	Name of a Proxy Means-Test (Chile)
CCT:	Conditional Cash Transfer
CEPAL/ECLAC:	Economic Commission for Latin American and Caribbean
CPE:	Cultural Political Economy
DIPRES:	Budget Office (Chile)
EFI:	Ethical Family Income (Chile)
FOSIS:	Solidarity and Social Investment Fund (Chile)
IDB:	Inter-American Development Bank
MIDEPLAN:	Ministry of Planning (Chile)
PASIS:	Assistance Pension Scheme (Chile)
SCH:	Solidarity Chile (Chile)
SRA:	Strategic-Relational Approach
SRM:	Social Risk Management
SUF:	Unique Family Allowance (Chile)
WB:	World Bank

Thesis's Introduction

Background

Conditional Cash Transfer (CCT) programmes have become the most relevant policies to tackle poverty in Latin America since their first implementations in Mexico and Brazil, in the second half of the 1990s and the beginning of the new millennium. By 2002, eight countries in the region had introduced a CCT programme, and this number increased to nineteen in 2008 (Cecchini and Madariaga, 2011; Valencia Lomelí, 2008). A CCT programme, in broad terms, 'is one that transfers cash to poor households if they make prespecified investments in the human capital of their children' (Fiszbein and Schady, 2009, p.31). The conditions imposed generally are related to education and health. The appeal of these programmes seems to be based on the 'prospect of killing several developmental birds with one stone' (Lavinas, 2013, p.5). Thus, these programmes offer: 1) the reduction of income poverty while addressing other disadvantages such as education and health, tackling underinvestment in human capital; 2) increasing woman empowerment by allocating the cash transfer to a woman in the household; and 3) the possibility to provide conditions that can attenuate poverty without the fiscal burdens of universal policies (Lavinas, 2013).

Certainly, CCT programmes can be seen as an "endogenous innovation" in Latin America, particularly in Brazil and Mexico (Cecchini and Madariaga, 2011; Sugiyama, 2011; Villatoro, 2012). However, the ideas of "human capital" and "targeting" welfare spending were thought further north (Lavinas, 2013). To some extent, what made these programmes "advisable" by the World Bank (WB) and the Inter-American Development Bank was the confluence of such ideas into the CCT programmes (Martínez Franzoni and Voorend, 2011; Lavinas, 2013; Sugiyama, 2011). Almost since their introduction, Chile has embraced CCT programmes as the main strategy to tackle extreme poverty. The specific context in which the Solidarity Chile (SCH) programme (2002-2003) and the Ethical Family Income (EFI) (2010-2012) – its successor – were introduced has been characterised by significant neoliberal reforms during the dictatorship (Ffrench-Davis, 2001; Larrañaga, 2011). The "Concertación" governments, which defeated the dictatorship by ballot in 1988, initiated the return to democracy in 1990 accepting the main features of the neoliberal reforms and the subsidiary role of the State in the welfare regime. They focused on increasing social spending to improve the pressing social conditions at the time. Thus,

between 1990 and 2000 the official poverty rates fell from 38.6% to 20.2%; extreme poverty rates also dropped significantly, although it seemed to remain stagnant at around 5.6% in 2000 (Garretón, 2012; Larrañaga, 2011; Raczynski, 2002; Pressacco and Salvat, 2012).

Tackling poverty was among the social priorities of the two first “Concertación” governments, with specific – though limited – programmes to face it. However, it was in Lagos’s presidential term (2000-2006) when the fight against extreme poverty was placed in the spotlight. Thus, the SCH programme was introduced, and by acknowledging the idea of the existence of “hard-core poverty” (expressed by the stagnation of extreme poverty rates), it aimed to deal with extreme poverty more integrally. SCH had four components: 1) Psycho-social support to the family performed by a counsellor (usually a social worker) for two years; 2) Privileged access to public programmes; 3) Access to existing cash transfers at the time; and 4) Social Protection Allowance, the specific cash transfer of SCH (Palma and Urzúa, 2005; Raczynski, 2008). Sebastián Piñera’s rise to power in 2010 was supported by a centre-right coalition and signified the end of the four centre-left “Concertación” governments. SCH was then replaced by another CCT programme, the Ethical Family Income (EFI), also with the aim of defeating extreme poverty. This programme also has four components: 1) Axis programme, which accompanies families throughout their participation, 2) Accompaniment of the families in regarding psycho-social and socio-labour issues, 3) Income Transfers and 4) Access to public services (MDS, 2014). EFI has different types of cash transfers; an unconditional one; others under conditions (health and education); and a third type with a more expansive targeting that rewards efforts in school and supports women’s labour participation. In general, EFI places a greater emphasis on the autonomous generation of income through employment (Cecchini, Robles and Vargas, 2012; Robles, 2012).

Problem Statement

The present study will assess poverty relief programmes in Chile, particularly two programmes – Solidarity Chile (SCH) and Ethical Family Income (EFI) – aiming at tackling extreme poverty by means of the Conditional Cash Transfer (CCT) scheme. The general question which guides the research is the following: why did Chilean policy makers choose the particular features of these programmes (which turn them into CCTs) to tackle extreme poverty in Chile? In order to answer that question, two related issues will be addressed; first, the policy making process in which those features were selected; second, the meaning of those features. These two issues are a constitutive part of the formulating process, so in order to address them in an integrated way, the present research study will be informed

by the Cultural Political Economy (CPE) framework, mainly developed by Bob Jessop and Ngai-Ling Sum (Jessop, 2010; Sum and Jessop, 2013).

In order to assess the decision of using conditional cash transfers to tackle poverty in Chile and understand the reasons behind the choice of the specific features in each programme, analysis must consider the role played by international organisms in advocating the CCTs as a model to tackle poverty in Latin America and also the meaning of the features of the programmes. Along with that, the examination of the local policy processes is required to understand the Psychosocial Support, which is the innovative feature of SCH, present in some CCTs designed later, and continued by EFI. The participation of counsellors in the households gives to the conditionalities a new meaning. All CCTs have conditions related to health and education (Cecchini and Madariaga, 2011); however, as Lavinas points out, 'Chile Solidario (SCH) is perhaps the most intrusive in its conditions: to receive a benefit [...] recipients have to sign a contract committing them to "personalized assistance" with their health, education, employment, family life, housing situation and income, monitored through regular meetings with social workers' (2013, p.18). EFI not only does it retain the Psychosocial Support component, but it also adds initiatives aiming at increasing labour participation, namely, new conditions.

Also, it is required to analyse in specific these two programmes; as will be argued in the first chapter with respect to context, the two Chilean CCT programmes are not part of the new trends promoting a change towards a more inclusive welfare regime in the country. These programmes have a better fit with the subsidiary welfare regime inherited from the dictatorship, mainly because those programmes are, in general terms, "social assistance" policies that target the extremely poor and whose benefits are granted only once the conditionalities are accomplished. Even though the actual features of these programmes fit better with the broad neoliberalism in Chile, a general characterisation of these trends is not enough to explain both programmes, I argue that neoliberalism is only a broad umbrella in which these policies were conceived. This is a necessary characterisation of the issue, but it is not sufficient. In particular, it does not answer the following questions: Why was the CCT strategy chosen over other social assistance policies? Why these programmes are focused on families? How is the timing of these policies explained?

In the present thesis it is argued that is required to investigate the role of the ideas from the poverty research for the analysis of these two Chilean poverty programmes. In short, as poverty tackling policies, these two CCTs are part of the poverty debates, and as such, in several of their features are informed by particular approaches to poverty. Understand these concepts of poverty as neoliberal goes in the correct line, but that is not enough. What this research proposes is to analyse the specific concepts of poverty that the policy makers had in mind when designing these programmes, within the context of Chilean neoliberalism. The present research will focus on policy makers mainly due to empirical reasons¹. At least in Chile, it seems that not many pressure groups or lobbyists were interested in anti-poverty policies. As Puentes (2009) demonstrates, the policy process only took place in the government and there is no evidence of social organisations integrated by people in poverty that had participated in the policy process². Given the absence of additional actors in the policy formulation process, the present research study will focus on policy makers as the main actors in the design of the two Chilean CCT programmes, and through them, assess the role of international organisations and advisors.

Regarding the concepts of poverty held by policy makers, poverty can be seen as one of what W. B. Gallie called “contested concepts”³, that is, ‘concepts whose operational meaning had been subject to continuous debate and dispute, and which would probably always remain without a firm and fast definition’ (Mair, 2008, p.195). In particular, Ruth Lister’s (2004) distinction between “concepts” and “definitions” of poverty is being addressed here; concepts inform the meaning of being in poverty, its understanding and discourse, while definitions refer to the distinction between poor and not poor. For the present study, the two Chilean CCT programmes are analysed in relation to the meaning of poverty, its causes, and several policy concepts related to poverty, such as human capital, underclass, targeting, and co-responsibility. To consider these concepts of poverty, this research benefits from the Cultural Political Economy framework, which is able to analyse the interweaving operation between semiotic and extra-semiotic processes.

¹ The way in which policy makers are characterised will be described in the methodological approach, Chapter Three.

² It is only possible to find social organisations led by poor people in relation to the housing policy.

³ See also Bletsas (2007) and Misurelli and Heffernan (2010).

Research Questions and Objectives

My general research question is: why did Chilean policy makers choose the particular features of “Solidarity Chile” and “Ethical Family Income” (which turn them into CCTs) to tackle extreme poverty in Chile? In that regard, the main objective of the thesis is to provide a multi-levelled analysis of the formulation process of these reform programmes, focusing on the key role played by particular concepts of poverty.

Specific Research Questions

1. Why did two different political coalitions choose to tackle poverty through the means of the Conditional Cash Transfer strategy in Chile?
2. What are the differences and similarities between the Solidarity Chile and Ethical Family Income programmes?
3. How do Solidarity Chile and Ethical Family Income understand poverty and the main characteristics of extremely poor people in Chile?
4. What was the role of the concepts of poverty in shaping Solidarity Chile and Ethical Family Income?

Specific Objectives

- To give an account of the context in Chile and Latin America where these programmes emerged, both in socioeconomic terms and regarding policy options.
- To analyse in an integrated way – i.e. by considering semiotic and extra-semiotic processes – the design process of Solidarity Chile and Ethical Family Income.
- To examine the construction of poverty – and extreme poverty – as a problem in these programmes.
- To Identify the main characteristics assigned, by the policy makers, to extremely poor people.
- To scrutinise the intervention features of these programmes, particularly the Cash Transfers, Conditionalities and Psychosocial Support.

- To discuss the role played by the concepts of poverty in the formulation process of these Chilean poverty-relief programmes.

Thesis Outline

This thesis is divided into eight chapters, plus the introduction and the conclusion sections. The first one describes the context in which these two Chilean CCT programmes were designed; thus, the neoliberal reforms in the country during the dictatorship, the introduction of a subsidiary welfare regime, and the changes introduced after the “return to democracy” in 1990 are briefly described. Also, the Latin American policy context in which the CCTs are embedded is discussed, identifying the main characteristics of these programmes and the theoretical assumptions over which these types of programmes were built. Then, poverty policies in Chile are analysed, considering the trajectories of inequality and poverty rates, which set the immediate background of the SCH and the EFI programmes, along with their main components. Finally, the place of these two Chilean CCT programmes in the trends of the welfare regime is addressed and it is argued that the programmes were more related with the subsidiary welfare regime, and not with the attempts to go beyond it and create a more inclusive welfare arrangement.

The specific discussion about the concepts of poverty is developed in the Second Chapter. Here, a distinction is made between “concepts” and “definitions” of poverty, and the meaning of being poor is discussed, along with a brief account of how the “causes of poverty” have been analysed. Then, six concepts and issues emerging from the policy debate on poverty are discussed; thus, the concepts of “human capital” and “underclass”, key ideas behind the understanding of causality and the specific segment of the population targeted by the the CCT programmes, are examined. The “targeting” and “co-responsibility” concepts are also considered, and through them, the two meanings of the “deserving/undeserving” trope. The relationship between psychology and poverty is also discussed, the final concept presented in this second chapter is “conditionalities”.

The Third Chapter presents the theoretical and methodological frameworks for the present research. The first part discusses the theoretical approach by recounting the different ways in which the CCTs programmes have been analysed and showing why an approach which considers the role of the ideas was required to examine the design of social policies such as these Chilean programmes. Then, New Institutionalism is introduced as an approach that does that, and towards the critiques of this, showing the potentialities of the Cultural Political Economy framework developed by Jessop and Sum. Along with examining this approach, some elements needed for the analysis of specific poverty policies such

as SCH and EFI are discussed. The second part of the chapter describes the Methodological Framework, presenting the research approach and the use of interviews with policy makers who participated in the design of these programmes.

Chapters Four to Seven are focussed on the empirical findings of the present study. The first of those explore how extreme poverty was constructed as a problem in the two programmes, exploring the role of the Presidential decisions in both, the diagnostics that each programme had, and how those explain specific features of SCH and EFI. Chapter Five analyses the construction of the characteristics of the extremely poor – the objective population in these programmes – and discusses the use of targeting. Also, the causes of poverty considered by the policy makers are examined, along with the role assigned to the family as the focal point in the intervention. Chapter Six considers the boundaries of extreme poverty as a problem; this introduces the link between the “construction of the poverty problem” – which has been analysed in the previous empirical chapters – and the “intervention”, which is the main topic of the next chapter. Specifically, Chapter Six examines why the policy makers did not consider other causes of poverty, such as the “structural approach”, the idea that poverty is produced and reproduced in “places and communities”, how the families were regarded as in need of orientation, and the role given to the State. The final part of this chapter scrutinises the presence of the CCT strategy, ready for application when SCH and EFI were designed.

Chapter Seven – the last empirical chapter – critically examines the intervention features of the two programmes, focussing on the key components of the programmes, namely, the Cash Transfer, the use of Conditionality, the Engagement with Public Programmes and Psychosocial Support. Some gender issues related to these programmes are also analysed in this chapter; in particular, the decision of focusing the intervention on women and the positive and negative consequences of this. Finally, Chapter Eight assesses the notions of poverty in the two Chilean CCTs, in particular, how poverty in Chile, its causes and the main characteristics of the extremely poor were understood. Also, this chapter discusses the role played by these poverty concepts in the design process. Also, the specific features of both policies are examined, along with the content of the broad approach to poverty in Chile. Chapter Eight should be viewed as part of the conclusion of the present study, in particular because it addresses why the policy makers choose to deal with extreme poverty by the means of these two programmes and how they understand poverty in broad terms.

Chapter 1 – Context

Chapter's Introduction

The present research seeks to uncover why Chilean policy makers chose to tackle poverty in the first place, and then why they opted to do it by means of the two Chilean Conditional Cash Transfer (CCT) programmes. In the present Chapter, the socioeconomic and policy-making contexts in which poverty emerged as a problem and in which Solidarity Chile (SCH) and Ethical Family Income (EFI) were designed are examined. Along with this, the place that these programmes had in the Chilean welfare regime is discussed, considering how these programmes contributed, if at all, to the configuration of a more inclusive arrangement.

The Chapter has three sections. The first section examines the Latin American policy context; in particular, the Social Investments Funds and the main characteristics and theoretical assumptions of CCT programmes in the region are discussed. In very broad terms, it seems that these two types of social policy interventions belong to two different moments in the region; the Funds to the post structural reforms when the Washington Consensus reigned, and the CCTs when that Consensus appeared to crumble. However, as it will be shown, both types of policy are connected. Additionally, the World Bank's Social Risk Management (SRM) framework is presented in this section. This approach is related to the CCTs, but is also linked to some changes in the welfare regime in Chile in the 2000s.

Section two scrutinises the socioeconomic context in Chile since the seventies. Here, the neoliberal reforms carried out by the dictatorship in Chile are briefly discussed. This will introduce and examine the kind of economy that emerged out of those reforms. Then, a concise revision about the concepts of the welfare regime is presented. This will introduce the analysis of the welfare arrangements in Chile since the dictatorship onwards, the subsidiary logic during the 1980s decade, and finally the main features of the welfare regime in the 1990s and early 2000s, the period when the Chilean CCT programmes were designed. Working over the welfare regime enables not only the interrogation about the place of these poverty tackle policies in it, but also summarises several social interventions and arrangements between the state, the markets and families, which played a crucial role in the population's wellbeing. This examination of the socioeconomic context in Chile concludes with the review of inequality in Chile since 1990.

The third section examines the Chilean attempts to tackle poverty. Firstly, the poverty situation since 1990 is described, and the way in which the literature has understood poverty trends in the country is discussed, presenting the main factors which have been considered to explain the important reduction in poverty levels since 1990. Secondly, the attempts to tackle poverty in President Frei's Government (1994-2000) are analysed, and a summary of the main characteristics of the two programmes under scrutiny in this research – SCH and EFI – is presented. The final sub-section deals with the configuration of a more inclusive welfare regime in Chile since the reforms of Lagos' and Bachelet's governments during the first decade of the 21st century. Relating those reforms with the WB's SRM approach and what those policies mean for the Welfare Regime is discussed.

In broad terms, this Chapter has several aims. In a more descriptive fashion, the main characteristics of the CCT programmes and the two Chilean programmes –SCH and EFI– will be presented. In addition, the key features of the Chilean socioeconomic context in which SCH and EFI were designed are addressed. In a more analytical fashion, the Chapter also questions the place of these two Chilean poverty programmes in the welfare regime and policy trends in the country; in particular, I argue that SCH and EFI are more coherent with the liberal trends inherited from the dictatorship and kept by the democratic governments in the 1990s. Consequently, these programmes should not be considered as part of the attempts to modify the subsidiary welfare regime.

1.1 - Latin American Policy Context

Latin America is and has been very diverse; therefore, it is not easy to establish trends which are able to embrace the majority of the countries. Thus, Filgueira (2005) analysing the welfare regime patterns in the region, distinguished three regional patterns before the neoliberal structural reforms, namely: 1) Stratified Universalism, 2) Exclusionary and 3) Dual Regimes⁴. For the new millennium this author also has to distinguish again between three groups (Filgueira, 2011); similar appreciations are made by others researchers (Martínez Franzoni, 2008; Huber and Niedzwiecki, 2015; Maldonado, 2012)⁵. That diversity can also be seen regarding poverty. In 1990, the 17,9 percent of the population in Uruguay lived in poverty according to ECLAC data; in Mexico that percentage was 47.7 and in Honduras poverty reached over 80 percent. In 2010, poverty rates in Uruguay dropped to 4.5 percent, in Mexico to 36.3 percent, and in Honduras 67.4 percent of the population lived in poverty (ECLAC, 2013, pp.86–87).

Despite that diversity, two sets of social policies have been used in the whole region to tackle poverty: the Social Investments Funds at the beginning of the nineties⁶, and the Conditional Cash Transfer Programmes (CCTs) some years later. In this section, the Social Investments Funds will be introduced as a programme that can be regarded as an antecedent of the CCT in the region. Next, the key features of the CCT programmes will be presented along with the discussion on the relevant theoretical assumptions behind these programmes. Then, the Social Risk Management (SRM) framework of the World Bank (WB) is examined. SRM was developed since the second half of the nineties, and the CCTs can be seen as part of this framework, aspect that will also be discussed.

⁴ Countries with “stratified universalism” welfare regime protected important segments of their population but with a clear segmentation of the benefits and conditions of eligibility according to their labour insertion (professional and state workers had better coverage), examples were Argentina, Uruguay, Chile, among others. In countries which had an “exclusionary” welfare regime, only the elites had social protection. The “dual” welfare regime –Mexico and Brazil for example– had “stratified universalism” in urban areas, and “exclusionary” in rural ones. (See Filgueira, 2005; Filgueira and Filgueira, 2002; Martínez Franzoni, 2008).

⁵ However, Gough (2013) and Barrientos (2009) contended that informality is the crucial factor in the welfare regimes of the whole region.

⁶ Fifteen Latin American countries had a type of Fund by 1995 (CEPAL, 1997).

1.1.1- Social Investments Funds

The Social Investments Funds were a particular policy introduced as a response for the period immediately after the debt crisis and the structural adjustment programmes in the eighties in Latin America (CEPAL, 1997; Cohen and Franco, 2006; Siri, 1996). Its main objective was to alleviate the poverty created by those processes. These policies were broadly conceived as transitory interventions and autonomous from central governments. In fact, some of the funds were implemented by NGOs or by ad-hoc public organisms, which acted as intermediaries between financiers and the executors; several funds were financed by WB credits (CEPAL, 1997; Lavinás and Fonseca, 2015; Siri, 1996)⁷. The rationale was to obtain resources from international organisms or governments and allocate these funds through projects developed by communities, NGOs, local governments or charity organisations. Thus these entities competed for financial support. As Cohen and Franco (2006, p.30) states, 'it was supposed that the proposals responded to demands from the community itself, but were strongly predetermined by the conditions imposed by the Fund in the invitation to tender'.

In the mid-nineties, Franco (1996) analysed the Social Investment Funds and other policies changes, and identified an "emerging paradigm" of social policy in the region, in comparison to what had been done before. With the time distance, some of his conclusions might seem audacious now, but for this argument four aspects emphasised by Franco are relevant to notice here, namely: 1) there were "other actors", along with the government, in these interventions; 2) the Funds tried to encourage "decentralisation"; 3) the beneficiary population were the "poor population", not the middle classes or organised groups, as it was in the period before the structural reforms; 4) the Funds aimed to "subsidy the demand": 'the financing agent transfers purchasing power (in the form of coupons or vouchers) so that the beneficiary can "buy" the goods or services he deems appropriate in the (quasi) market thus created' (Franco, 1996, p.17)⁸. The first two elements are not presented in the CCT wave; these programmes were designed and implemented by the central government. However, as it will be described later, the CCTs' focussed its interventions on the poor population and sought to subsidy the demand through the cash transfer.

⁷ In the case of the Chilean Social Investment Fund, the FOSIS, it was a new organism created in the government with public resources (Pardo, 2003).

⁸ Highlighted in the original. In this Thesis none of the references has been intervened, therefore if some of them have part of the text highlighted, that was accentuated or italicised in the original.

1.1.2- Characteristics of CCTs as a Policy in Latin America

In broad terms, the CCTs sought to tackle poverty (or extreme poverty) by combining a short-term intervention to alleviate poverty and a long-term objective of increasing human capital in poor families, in order to prevent the intergenerational reproduction of poverty (Cecchini and Martínez, 2012; Fiszbein and Schady, 2009). To achieve those aims, the CCTs use three ways: '(i) cash transfers, to increase incomes; (ii) making transfers conditional upon the use of certain social services, to promote human capital accumulation; and (iii) focusing on poor and extremely poor households' (Cecchini and Martínez, 2012, p.87)⁹. The imposed conditions are generally related to education and health. Other authors add some aspects to those three elements; for instance, Papadopoulos and Velázquez stress that these are 'social assistance programmes', and they 'deliver means-tested conditional cash benefits' (2016, p.435). Meanwhile, Lavinás highlights the general appeal of the 'prospect of killing several developmental birds with one stone' (2013, p.5), emphasising that these programmes operate without the fiscal burdens of universal policies.

There is a diversity of CCTs programmes in Latin America. Cecchini and Martínez (2012) built a non-exhaustive typology with three categories of programmes¹⁰: i) "Income-transfer programmes with soft conditionality", whose primary objective was to increase family income. The authors mention the example of the Brazilian programme, Bolsa Família; ii) "Demand incentive programmes with strong conditionality", where the main aim is promoting human capital accumulation, using the cash transfer as an incentive along with hard conditionality. The example is the Mexican programme Oportunidades; iii) "Programme coordination systems or networks with conditionalities", which for Cecchini and Martínez (2012) is an extension of the first two, as the programme channels state support to poor people. The example for this is SCH¹¹.

⁹ The World Bank provide a more concise definition; a CCT programme 'is one that transfers cash to poor households if they make prespecified investments in the human capital of their children.' (Fiszbein and Schady, 2009, p.31).

¹⁰ That typology based on three criteria: 1) Level of enforcement of the conditionalities (soft or hard). 2) The cash transfer rationality, that is, "to increase the current income of beneficiaries or to act as an incentive" (Cecchini and Martínez, 2012, p.92). 3) The type of conditionalities, its rationality and who is the main responsible (families or state).

¹¹ Similar typologies in (Fiszbein and Schady, 2009; Peck and Theodore, 2015).

1.1.3- Theoretical assumptions of CCTs

Here it will be discussed the theoretical assumptions of the CCTs. In Fiszbein and Schady's (2009) account of the CCTs from the WB, the base of the CCTs lies in both the provision of a minimum consumption floor and the use of "human capital" as an essential tool in order to break the intergenerational reproduction of poverty. Attempting to enhance "human capital" represents the link between intervention in the short term (cash transfers and conditions) and poverty relief in the long term (Cecchini and Madariaga, 2011; Villatoro, 2012). As Valencia Lomelí (2008) stresses, the reproduction of poverty in these programmes lies in the families. Therefore, a key role is given to the family; especially to motherhood (CEPAL-DAG, 2013; Tabbush, 2010; Villatoro, 2012).

The CCT strategy has to justify the use of cash transfers and the introduction of the conditions. For Fiszbein and Schady, utilising cash transfers to tackle poverty is not obvious, 'poverty is best reduced by economic growth' and, cash transfers could 'provide the wrong incentives to recipients' because they can discourage the supply of labour (2009, pp.46–47). However, from the economic rationality, cash transfers can be justified by the following: 1) public expenditure in infrastructure or services often fails to reach the very poor; 2) 'markets seldom work perfectly in practice, and sometimes they fail in ways that prevent poor people from being as productive as they might otherwise be' (Fiszbein and Schady, 2009, p.47). Classic examples of this are the credit and insurance markets; 3) many inequalities of the developing world are intergenerationally inherited, and individuals have no control over their race, gender, or family background, consequently the state has the obligation to act (Fiszbein and Schady, 2009). The intervention is on the demand side, in order to make corrections to the markets, stimulating the demand and avoiding distortions in relative prices. It is an attempt to incorporate poor people into the market (Cohen and Franco, 2006; Lavinás and Simões, 2015; Valencia Lomelí, 2008; Villatoro, 2008; Katz, 2013; Peck and Theodore, 2015).

Regarding the conditions, a key feature of the CCT programmes is the promotion of positive behaviours through conditions and cash transfers (Fiszbein and Schady, 2009; Valencia Lomelí, 2008). According to the proponents of these programmes, the use of conditions is justified by, first, what Fiszbein and Schady (2009) called the "microfoundations of paternalism", 'agents do not always behave exactly as one would expect fully informed, rational agents to behave', resulting in sub-investment in human capital by the families; therefore, it is justified 'that governments may "know better" what is privately good for poor people than do the poor themselves, at least in some realms.' (Fiszbein and

Schady, 2009, p.50). The second argument is the “political economy” one; governments conditioning the cash transfer to some good behaviours by recipients, which could result in an increase of public support towards that policy/spending scheme (Fiszbein and Schady, 2009). However, this “paying for good behaviours” has been criticised by several authors because it is an attempt to control people and affect their freedom (Peck and Theodore, 2015; Standing, 2011; Ballard, 2013; Garmany, 2016; Villatoro, 2012; Valencia Lomelí, 2008; Rojas, 2010).

A slightly different approach was taken by Lavinas (2013) in her examination of these programmes. Her discussion was less concerned with the policy features of the programmes, and more focussed on their origins. For her, the CCTs are a continuation of prior policies (such as the microcredits) in the promotion of individual responsibility¹². The CCTs ‘are not merely a technical device for combating poverty. By targeting recipients on condition that they demonstrate ‘co-responsibility’ for their welfare, the schemes reinforce the trend away from a universal provision and towards a limited, “residual” model of social protection’ (Lavinas, 2013, p.7). Thus, the CCT programmes can be seen as an “endogenous innovation” in Latin America, particularly in Brazil and Mexico (Cecchini and Madariaga, 2011; Sugiyama, 2011; Villatoro, 2012). However, as Lavinas (2013) shows, the intellectual antecedents of these programmes are located further north, so ‘conceptually, we might see CCTs as a confluence of two sets of ideas: the idea of “human capital” on the one hand, and of “targeting” welfare spending on the other’ (2013, p.9). Actually, the extensive use of targeting to channel the benefits to the poorest, especially the proxy-means test, is one of the decisive characteristics of these programmes (Cohen and Franco, 2006, 2010; Valencia Lomelí, 2008).

1.1.4- Social Risk Management - World Bank

Regarding poverty, the trajectory of the reasoning of the World Bank and its interventions has not been linear. In this respect, Kanbur and Vines (2000) identified four stages. The first one, from 1945 to 1955, implied that “growth does it all”; in other words, growth and development lead directly to poverty reduction. The second phase – mid-1950s until the end of the 1970s – questioned the trickle-down, and the ‘Bank lending began to emphasise rural development, urban infrastructure, education and health’ (Gilbert and Vines, 2000, pp.15–16). The third phase – between 1980s and 1990s – was the Washington Consensus’s era, the set of policy prescriptions emerging from the neoliberal project and eagerly advocated by the WB and the IMF, where ““stabilize, privatize, and liberalize” became the

¹² See also Cohen and Franco (2006) and Lavinas and Simões (2015).

mantra of a generation of technocrats' (Rodrik, 2006, p.973). Regarding poverty, 'the neoliberal agenda proposed the following line of causation: openness leads to growth leads to poverty reduction. We are back to a kind of "trickle-down" argument' (Kanbur and Vines, 2000, p.91). The four-phase of the WB's thought about poverty is the search for new approaches post the Washington Consensus. This was triggered by three processes, namely: 1) the financial crisis of South-East Asia (1997); 2) the meagre results in sud-Sahara Africa and Latin America regarding the policies advocated; and 3) the positive results of China and India, which were unexplicable from the presepective of the Washington Consensus (Kanbur and Vines, 2000; Rodrik, 2006). Is in this search for a new approach, Social Risk Management (SRM) emerged.

Regarding the social policy of the WB, Anthony Hall (2007) distinguished three areas. First, the provision of "social welfare" services, in particular in health, education, nutrition and pensions, among others. Here, "the underlying rationale is enhancing human capital to boost macro-economic growth' (Hall, 2007, p.153); this area has been in the Bank since the 1970s. The second area is "social protection", which is newer and was introduced in the post Washington Consensus period. It sought to protect the weak and vulnerable, and includes 'social risk mitigation, safety nets, vulnerability assessment and monitoring as well as social insurance and pensions' (Hall, 2007, p.157). The SRM and the CCT programmes are included here. The third area is "social development", which includes rural intervention projects and the "Comprehensive Development Framework", which was set at the end of the 1990s. Here, local participation and empowerment are emphasised; the main instrument in this respect is the "Poverty Reduction Strategy Papers" (Blackmon, 2008; Hall, 2007).

The SRM is a way to understand "social protection", which, under this framework, 'consists of public intervention (i) to assist individual, households, and communities better manage risk, and (ii) to provide support to the critically poor' (Holzmann and Jørgensen, 2000, p.9). According to its promoters, globalisation, trade and technology generate the potential for enhancing population's welfare. However, a social protection system based on SRM was necessary, because 'the exact same processes that allow for welfare improvements also heightens the variability of the outcome for society as a whole and even more so for specific groups. The global financial crisis of 1998 demonstrated this on a worldwide scale' (Holzmann and Jørgensen, 2000, p.5). The sources of risk could be "natural" (earthquakes, floods, etc.), heath-related (illness or disability), related to the "life-cycle" (birth, old age), "economic" (unemployment), and "Political" (discrimination or riots), among others (Holzmann and Jørgensen, 2000). The framework proposes three risk management strategies:

1) Prevention; 2) Mitigation, which in a very business jargon, includes the “diversification” of assets, the use of informal and formal “insurance” mechanism, and “hedging”; and 3) Coping strategies, which consider the important role of the government in providing relief to the population. Finally, the strategy contemplated three levels of instruments: 1) Informal arrangements, 2) Market-based, and 3) Publicly mandated or provided arrangements, when the informal or market-based arrangements do not exist or are dysfunctional (Holzmann and Jørgensen, 2000; McKinnon, 2004; Best, 2013). As will be discussed later, the SRM was relevant for the social policy reforms implemented by the Chilean governments in the 2000s.

Broadly speaking, the SRM does not question the context in which it emerged, nor the risks that the globalisation, trumpeted in the Washington Consensus, has created; instead, this framework only proposed practices to alleviate those risks (Lavinias and Fonseca, 2015). Therefore, with the SRM, the ‘social protection role of government is presented in a somewhat prescriptive and limited fashion as a means only to compensate for market failure’ (McKinnon, 2004, p.299). Given that this framework neglects structural causes of the risks, ‘vulnerability is attributed to the characteristics of a person or group, an event affecting a person or group, or a point in a person’s life-cycle’ (Devereux and Sabates-Wheeler, 2004, p.6). Also, the SRM does not necessarily address chronic poverty, shocks could explain why people end up in poverty, but it not says too much about the reasons why people remain poor (Devereux and Sabates-Wheeler, 2004).

According to Fiszbein and Schady (2009), the CCTs are an instrument of social protection; although, ‘a CCT is unlikely to be the best instrument for social risk management’. This is because ‘their focus on long-term investments in human capital’ (2009, p.26); and not on the management of short-term risks. Nevertheless, authors such as Best (2013) do not share that opinion, as she put these programmes as part of this social protection approach: ‘CCTs work to change individuals’ behaviour to make them more resilient to future risks’ (2013, p.122). In line with this, Hall (2007) and Cammack (2012) relate the CCTs to the SRM framework. Whether the CCT is an appropriate instrument for the SRM or not is debatable, although what is certain is that these two are compatible. With respect to the Chilean context, the SRM was used to arrange some reforms to the welfare regime, an issue which will be discussed later in this Chapter.

1.2 - Chile's Socioeconomic Context

1.2.1- Neoliberalism reforms. Dictatorship and Democracy

Chile has been recognised by some authors as one of the first neoliberal experiments (Harvey, 2005; Solimano, 2012). Only a few authors could disregard the lasting consequences of the neoliberal reforms implemented by the Chilean dictatorship. Neoliberalism can be seen as an ideology which advocates for a free-market society. It can also represent a set of (mainly economic) policies which promote free-market in the economy and a limit to the intervention of the state (Garretón, 2012). However, the signifier “neoliberalism” has been particularly elusive and has acquired several meanings, similar to the way in which the actual processes of neoliberalisation have varied significantly (Jessop, 2013a; Peck, 2010; Ferguson, 2010). Considering the Chilean case and others, Harvey (2005) has argued that neoliberalism is a project to restore class power to the economic elites, which in Chile was menaced by Allendes’s “Chilean way to socialism”¹³. In the global context, the neoliberal project has taken different trajectories. For example, Jessop (2013a, 2012b) distinguished four types: the first one related to the liberalization of the former Soviet bloc countries; the second one refers to the developing countries under the impositions from Washington Consensus; the third type of neoliberalism is found in countries that partially adopted some neoliberal policies, which represents a pragmatic move. The fourth type includes Chile, Britain, the US and Argentina, where neoliberalism was an endogenous regime shift where ‘a set of policies that are intended to alter the balance of forces in favour of capital’ (Jessop, 2012b, p.70) were introduced.

The Neoliberal reforms in Chile began in the mid-1970s during the dictatorship, in a period where reforms faced no opposition, given the established political repression (Garretón, 2012; Harvey, 2005; Moulian, 1997; Solimano, 2012). These market-oriented reforms consisted of the liberalisation of prices, along with the unilateral reduction and homogenisation of the customs tax; moreover, was reduced the participation of the state in the economy through the elimination of subsidies, the privatization of business previously nationalised by Allende’s government, the reduction of social expenditure, the privatisation and liberalisation of the financial sector, the flexibilisation of the labour force, and the consolidation of private ownership in the countryside (Ffrench-Davis, 2001; Meller, 1996).

¹³ See also Moulian (1997).

Then, in the eighties, as a consequence of the 1981 major economic crisis, some neoliberal policies were softened and a more pragmatic approach focusing on the budget and intervening the financial sector started to predominate (Meller, 1996; Peck, 2010). However, the majority of the remaining public companies were privatised by the dictatorship in the second half of the 1980s (Meller, 1996). Furthermore, in the context of the negotiation on the transition process between the opposition and the Dictatorship, the autonomy of the Central Bank was implemented, allocating the monetary policy with the paramount aim of controlling inflation, allegedly detaching it from politics (Guardia, 2009; Meller, 1996).

Throughout the nineties, the first two democratic governments maintained the type of economy nurtured by the neoliberal reforms. The open economy, mostly based on the exports of natural resources (mining and agriculture, among others), was kept by the “Concertación” governments¹⁴, and was stimulated by several free trade agreements signed (Cypher, 2005; Muñoz Gomá, 2009). Yet, these measures were carried without an industrial strategy plan, due to legal restrictions inherited from the dictatorship (Guardia, 2009). As will be discussed in the next section, some changes were made in the welfare regime, although the agreements regarding fiscal responsibility were kept¹⁵ (Arellano, 2011).

The transformations to the labour code deserve special attention. In 1979, the “Labour Plan” was implemented (Durán-Palma, Wilkinson and Korczynski, 2005). In the words of two liberal Chilean economists, this plan was ‘aimed at increasing labour market flexibility and reducing the degree and intensity of labour conflicts’ (Edwards and Cox Edwards, 2000, p.1). The liberalisation of the economy and the flexibilisation of labour relations severely affected the union’s power of negotiation, and union membership rates dropped significantly from 34% of the employees in 1974 to 9.2% in 1989, the first and last years of dictatorship, respectively (Campero, 2004, p.27). The “Concertación” attempted to correct the profound imbalance of power between labour and capital, but those efforts resulted only

¹⁴ “Concertación”, meaning coalition, was the political alliance formed in the dictatorship to defeat Pinochet in the election of 1988, which opened the way to the transition to the democracy in the country. Later, that coalition won four consecutive presidential elections, 1989 with Patricio Aylwin, 1993 with Eduardo Frei, 2000 with Ricardo Lagos and the election of 2005 with Michelle Bachelet.

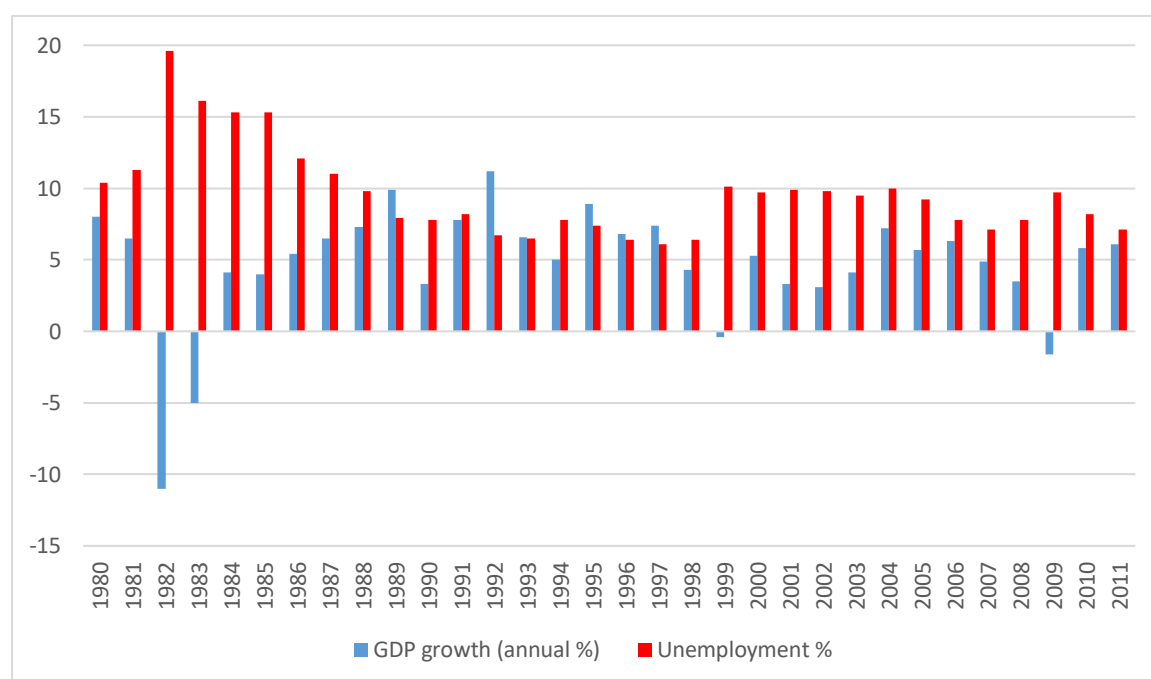
¹⁵ Later, in the Lagos Government (in 2001), the rule of the budget structural surplus was implemented, which allowed an increase in expenditure in low-growth periods, but re-balanced the books when growth returned (Arellano, 2011; French-Davis, 2015).

in cosmetic changes. In short, labour relations presented a remarkable continuity from dictatorship to democracy (Durán-Palma, Wilkinson and Korczynski, 2005; Gammage, Albuquerque and Durán, 2014). In 1992, only 14% of the employed workforce had collectively bargained contracts; in 2009, this figure dropped to 10.5% (Gammage, Albuquerque and Durán, 2014, p.15).

1.2.2- Today's Chilean Economy, neoliberal structural constraints

The neoliberal reforms of the dictatorship and the continuity of this model in the democratic governments changed the shape of the Chilean economy. In very schematic terms, an inward-oriented economy – in 1970 only 14.4% of the GDP was due to exports – was transformed into an export-oriented one, where the exports represented 30,5% of the GDP in the year 2000¹⁶. After the neoliberal reforms, the Chilean economy faced a large crisis in 1982 and 1983, and the GDP fell two digits and unemployment climbed to 19.6% and stayed above 15% until 1985. From 1986 until the Asian Financial crisis in 1997, the GDP grew at an annual average rate of 7.6%, and unemployment rate decreased considerably (See Figure 1-1).

Figure 1-1 - Chile - GDP Growth and Unemployment



Source: Adapter from data for GDP Growth (World-Bank, 2017), data for Unemployment (CEPAL, 2017)

¹⁶ (World-Bank, 2017). See also Bergoing, Micco and Repetto (2011) and Ffrench-Davis (2001).

Import tariffs were drastically reduced during the dictatorship, and this continued in the “Concertación” Governments. Thus, “average tariffs continued to be reduced in a gradual manner from nearly 15% in 1988 to about 3% in 2010” (Bergoeing, Micco and Repetto, 2011, p.90). As part of the same process, Chile signed trade agreements with more than 50 countries and regional blocs, including the USA, Mercosur, the EU and some Eastern Asia countries (Bergoeing, Micco and Repetto, 2011; Muñoz Gomá, 2009). However, the type of exports continued to be mainly related to the primary sector, where no much additional value is added to the goods, i.e. goods are not manufactured. According to data reported by ECLAC¹⁷, more than 90% of the goods exported in 1980 were primary, and this figure was very similar in 2010 (87.4%)¹⁸. Some have argued that Chile has diversified its exports, with agricultural and silvicultural products, along with wine and food (Bergoeing, Micco and Repetto, 2011; Muñoz Gomá, 2009). However, the economic weight of copper is undeniable; according to UN data, 56.3% of all the goods exported by Chile in 2010 were Copper and its by-products, with little added value (UNSD, 2013, p.121)¹⁹.

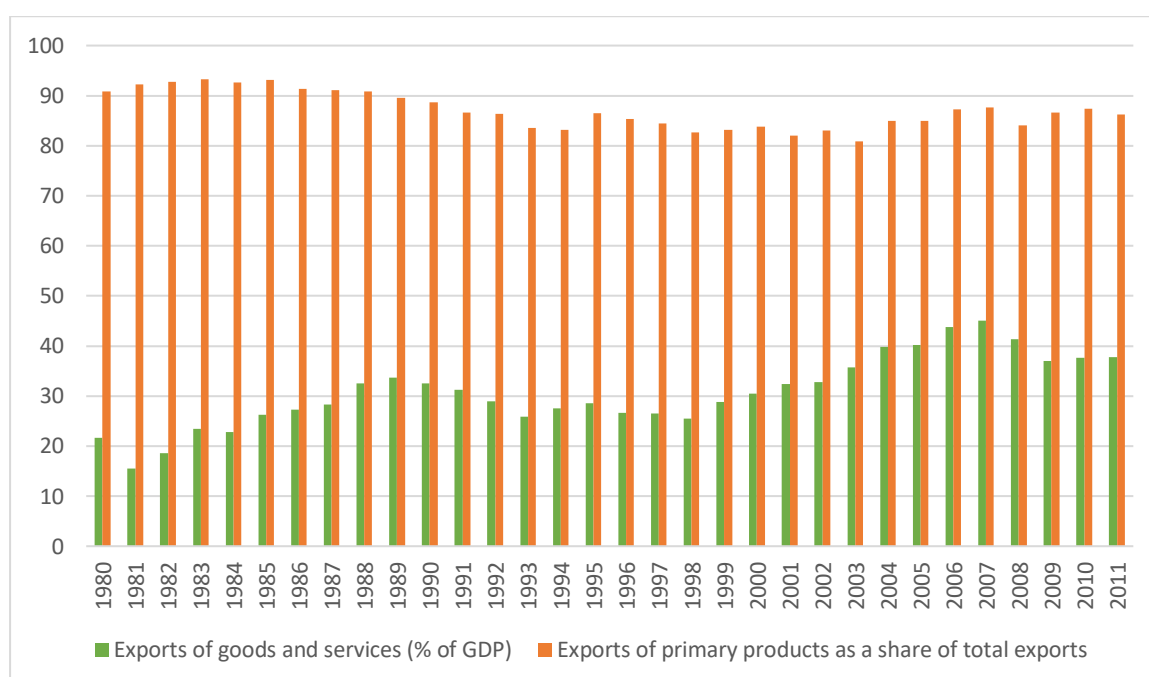
¹⁷ Economic Commission for Latin American and Caribbean, of United Nation. CEPAL by its Spanish acronym.

¹⁸ Primary products include: Food and live animals, beverages and tobacco, crude materials non-edible, minerals, fuels, lubricants and related materials, animal and vegetable oils, non-ferrous metals, among others. See CEPAL (2017).

¹⁹ It includes the 2603, 7402 and 7403 codes of the Harmonized System (HS): Unrefined copper, copper anodes for electrolytic refining; refined copper and copper alloys, unwrought, and copper ores and concentrates.

Figure 1-2 - Chile - Exports Indicators

Exports of goods and services as % of GDP, Exports of primary products as % of total exports.



Source: Adapter from data for Exports of goods and services (World-Bank, 2017), data for Exports of primary products (CEPAL, 2017)²⁰

1.2.3- About the Welfare Regime: General discussion

Since Esping-Andersen's (1990) seminal publication on welfare states in developed countries, discussion on this concept and its typologies has proliferated (Arts and Gelissen, 2002). This debate is relevant not only because welfare regimes can explain other variables such as poverty rates (Brady, Fullerton and Moren Cross, 2010; Fouarge and Layte, 2005; Saunders, 2010), but also because those typologies turn historical paths and information into quite manageable concepts. In fact, for Esping-Andersen the welfare states are mostly the result of 'complex processes and successive steps of social and political engineering in the history of democratic industrial capitalist societies' (Arts and Gelissen, 2002, p.139). In the same vein but with a focus on Latin America, Martinez Franzoni stated that the analysis of welfare regimes 'provides clues to understanding distinct environments for policy design and directions for policy change' (2008, p.91).

²⁰ Note: Percentages of the total value of f.o.b. exports of goods.

One of the key points in Esping-Andersen's argument is the questioning of the public spending as the criterion; 'what we should be examining is not (just) how much welfare states spend, but rather what they do and how they do it' (Arts and Gelissen, 2010, p.570). Consequently, Esping-Andersen argues that three dimensions should be considered in the analysis of welfare states: 1) The level of "decommodification", which 'refers to the degree to which individuals, or families, can uphold a socially acceptable standard of living independently of market participation' (Esping-Andersen, 1990, p.37); 2) the "public private mix", which indicated the degree in which the state, markets and families provide welfare; and 3) the "stratification system" promoted through social policy and backed by institutions; it considers whether the social differences are enhancing or not, and if those policies incentivise individualism or broader social solidarity (Esping-Andersen, 1990; Arts and Gelissen, 2010; Maldonado, 2012).

The three worlds of the welfare state for the developed world identified by Esping-Andersen (Social Democratic, Liberal and Conservative) are well known; so are the critiques made to the approach. In particular, it neglects the gender dimension and misrepresents important models, for example the Mediterranean one, among others (Arts and Gelissen, 2010). Regarding the welfare regimes in Latin America, Esping-Andersen's approach has been criticised due to its focus on "decommodification" processes which, as Filgueira (2005) and Gough (2013) point out, do not seem suitable for a region whose capitalist relations were not fully-formed and presents labour informality and weak states. Actually, Gough (2013) and Barrientos (2009) argued that informality is still crucial nowadays for the Latin American welfare regimes. In turn, Martínez Franzoni (2008) validates the use of decommodification for Latin America even if there was informality. However, she highlights the relevance of the inclusion of gender aspects as part of the defamiliarisation processes of the welfare provision (the "public-private mix"). Additionally, some authors have indicated that the analysis of welfare regime in the region should consider the performance outcomes of those in the provision of welfare (Gough, 2013; Martínez Franzoni, 2008).

In the case of Chile, and other Latin America countries with similar characteristics²¹, the level of labour informality has been reduced since the eighties. Therefore, the commodification dimension can be considered in more depth; hence, that Barrientos's (2009) broad categorization emphasising

²¹ In particular Chile has been placed along Argentina, Uruguay and Brazil regarding the welfare regime before the neoliberal reforms (Filgueira, 2005; Huber and Niedzwiecki, 2015); and along Argentina again after the neoliberal reforms (Martínez Franzoni, 2008).

informality for the whole region does not add much to the examination of the Chilean welfare regime. Although performance outcomes might be crucial for generating typologies among Latin American countries, this does not add to the longitudinal examination of the Chilean context alone, which is the focus of analysis in the present study. To sum up, two aspects will be considered for the analysis. First, the analysis of the instruments of the welfare regime, in particular, the pre-eminence of social insurance policies or social assistance instruments, which includes some aspects of the “decommodification dimension”²²; second, the “public-private mix”.

1.2.4- Stages in Chilean Welfare regime

Before neoliberal reforms, Chile was regarded along with Argentina, Brazil and Uruguay, as having a “stratified universalism” model of welfare regime²³, the most advanced in comparison to the rest of the countries in the region (Huber and Niedzwiecki, 2015). Broadly speaking, the model provided extended benefits in access to quality pensions, but this provision was allocated according to occupational category and branch of activity, in corporatist fashion. This resulted in a significantly segmented system, where some workers had access to benefits, while others mainly in the informal sector (which was important at that time) did not have access at all (Filgueira, 2005; Huber and Niedzwiecki, 2015; Maldonado, 2012). In that period, the redistribution of income was using ‘price controls, differentiated taxes and minimum wages by economic sector’ (Larrañaga, Cabezas and Encina, 2011, p.53). In what follows, the Subsidiary Welfare Regime created by the dictatorship reforms and the modifications introduced during the first two democratic governments (1990-2000) will be examined. This established the context in which the SCH programme (the main subject of this thesis) was designed.

1.2.4.1 - Dictatorship - Subsidiary Welfare Regime (1980s)

At the end of the seventies, the dictatorship started a set of reforms related to the welfare regime. First, the health reform was introduced (1979); then, the pension reform (1980) was enforced, replacing the “pay as you go” scheme with a private capitalisation system (Maldonado, 2012; Larrañaga, 2011; PNUD, 2017). Besides, profound transformations in education were made and some

²² The focus on these instruments has been emphasised by (Maldonado, 2012); but is also considered by Martínez Franzoni (2008) and Gough (2013).

²³ Filgueira’s nomenclature. This shared certain similarities with the German model (Filgueira, 2005; Martínez Franzoni, 2008).

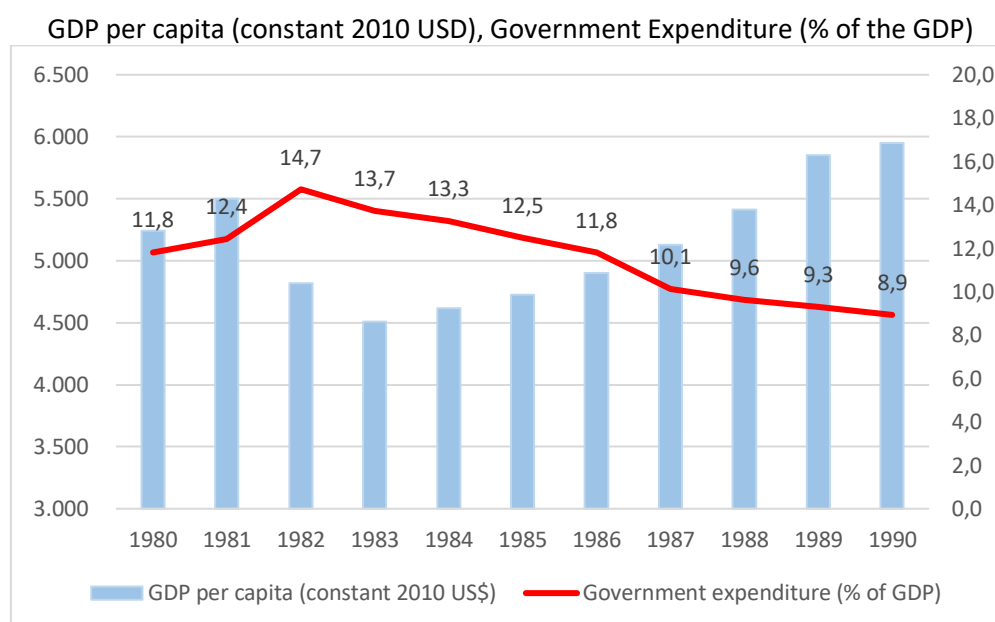
social assistance policies were introduced. In the opinion of several authors, what emerged out of this was a liberal welfare regime, in which the burden of welfare provision was allocated to the families and individuals, and the State only had a subsidiary, residual role (Filgueira, 2005; Garretón, 2012; Huber and Niedzwiecki, 2015; Larrañaga, 2011; Maldonado, 2012; Meller, 1996; Raczynski, 2002).

Regarding the instruments of the welfare regime, Chile discarded the social insurance pension scheme in favour of a private capitalisation system, based on the individual's capacity for saving and administered by a private pension fund. In turn, the health reform weakened the public provision of welfare, a private insurance system for private health provision was encouraged²⁴, and a subsidiary public insurance fund for people with lower income was introduced (Larrañaga, 2011). The dictatorship also created instruments of social assistance using means testing, which will be discussed in the next section.

Regarding the public-private mix, Chile has emphasised a strong role for the market in welfare distribution since the neoliberal reforms and consequently has given less relevance to state provision, something reflected in the aforementioned pension and health reforms. Besides, changes in education allowed the increase in the private sector provision with public resources in primary and secondary levels (vouchers), along with a fully-fledged private sector in all levels (Cox, 2003; Larrañaga, 2011). Using 1970 as a baseline year (100%), in the last year of the dictatorship (1989) per capita public expenditure was only 69.6% in health and 62.5% in education (Ffrench-Davis, 2001, p.265). In a broader sense, this retreat performed by the State can be seen in the consistent reduction of Government Expenditure after 1982 (See figure 1-3), and that even when the economy grew – expressed in the GDP per capita. Therefore, the size of the government did not run parallel to the expansion of the economy.

²⁴ Only the military kept a specific public health system and a pay as you go pension system, both funded with public resources.

Figure 1-3 - Chile - GDP per capita and Government Expenditure



Source: Adapted from data (World-Bank, 2017)²⁵

The welfare regime that emerged from these changes can be characterised as subsidiary (Garretón, 2012; Meller, 1996; Raczynski, 2002). I prefer the adjective “subsidiary” instead of “liberal” or “residual”, as Larrañaga does (2011, p.186), for three reasons: 1) it clearly expresses the role of the State in the provision of welfare; 2) it highlights the main function of public policies in the analysis of welfare regime, and 3) it remains faithful to the original characterisation provided by neoliberal economists during the dictatorship.

Social Assistance under the subsidiary welfare regime.

The neoliberal reforms removed nearly all of the redistribution mechanisms such as price fixing and indexation of salaries²⁶. Only the minimum wage was maintained, but it was devalued in real terms (Larrañaga, 2011, p.188). In place of those redistribution mechanisms that ‘followed strict targeting criteria, (...) subsidies and transfers to the poorest and most vulnerable groups’ were created (Robles,

²⁵ GDP indicator: NY.GDP.PCAP.KD. Government Expenditure indicator: NE.CON.GOV.TS. The indicator “General government final consumption expenditure” includes all government current expenditures for purchases of goods and services (including compensation of employees), but does not represent whole government size in the economy, because it excludes government capital formation.

²⁶ According with Ffrench-Davis’s calculus, ‘The real wages in 1981 were lower, on average, to the levels of 1970 and 1971’. (2001, p.71).

2012, p.7). Thus, several social assistance transfers were created, such as the Mental Disability Assistance Benefits, in 1975, which only targeted poor families (Robles, 2012). In 1981, the Unique Family Allowance (Subsidio Único Familiar – SUF, a monetary transfer per child in the family) was created for poor families with no relatives having a formal job. Still, this amount was only a 3% of the minimum wage (Larrañaga, 2011, p.188; Raczynski, 1995, p.230). Finally, the Assistance Pension scheme (Programa de Pensiones Asistenciales – PASIS) was introduced for poor older people²⁷ who had no access to contributory pensions; in this case, the amount of money was one-third of the minimum pension (Larrañaga, 2011; Raczynski and Romaguera, 1995).

The relevance of social assistance transfers in facing socioeconomic risks was clearly expressed when unemployment rose due to economic crises. In 1982 the GDP fell 11.0% and then another 5% in 1983; only in 1989 the GDP per capita regained its levels before the crisis; in turn, the rate of unemployment reached 19.6% in 1982 and stayed above 15% until 1985²⁸. In this context, the dictatorship created two social assistance programmes addressing the labour market: the PEM and POJH schemes, which in 1983 kept the unemployment rate at almost a half of which it would have been without them (Raczynski and Romaguera, 1995, p.284)²⁹. PEM and POJH were temporary support measures, flexible in the type of work, and with a minimum stipend in retribution³⁰.

²⁷ Also for adults who were physically or mentally disabled.

²⁸ See figure No. 1-1.

²⁹ Unemployment data are slightly different. Raczynski and Romaguera (1995) report that in 1983 the unemployment rate was 16.8%, and it was calculated that without that intervention, it would have reached 30.3%.

³⁰ Grondona (2011) states that these two programmes were precursors of workfare experiences in Latin America, because these stipends were far less than the minimum wage, had no labour protection and did not identify activities in a clear manner. Therefore, these work programmes could hardly be labelled as proper jobs.

Table 1-1 - Chile - Emergency Social Assistance Programmes in Dictatorship.

Name	Minimum Employment Programme – PEM	Occupational Programme for Head of Household – POJH
Years of operation	1975-1988	1982-1988
Targeting population	Head of household, unemployed for a long time. In 1979 requirements were relaxed due to economic crisis.	Unemployed head of household
Hours work	15 hours per week, but later full working day.	7 hours per day
Activities	Different activities such as cleaning parks, cleaning drainage pipes, road maintenance, digging, among other activities.	Ibid PEM.
Objective	Employment emergency program	Ibid PEM.
Earnings	33% of minimum wage.	60% of minimum wage.
Employment protection	None	None

Source: Adapted using (Bravo, 2012; Ffrench-Davis, 2001; Morales, 1984; Raczyński, 1995).

Finally, one of the most relevant features of social assistance policies implemented by the dictatorship was “targeting”. According to supporters of this form of intervention, ‘the purpose of targeting is to increase the effectiveness of social spending, allocating scarce resources into groups with greatest needs’ (Larrañaga, 2005, p.4). The instrument used in Chile was the CAS Record³¹, a ‘socioeconomic characterisation questionnaire used to identify the population in extreme poverty in order to allocate the benefits from certain social programs to that population’ (Raczyński, 1995, p.231). This instrument was created in 1979 and was elaborated by the central government, but was applied at a local level. The unit of analysis of CAS was the household and included construction and sanitary features of dwelling, household composition, employment and education achieved by the head of household, and per capita income, among other characteristics. Households were assigned a score on a continuous scale³² for the allocation of benefits (Larrañaga, 2011; Raczyński, 1995, p.232). Conceptually, the CAS record is a proxy means-test which, according to combined indirect indicators, evaluates the approximate socioeconomic situation of the household and individuals³³ (Larrañaga, 2005). As Larrañaga says, ‘(t)he CAS Record is a symbol of the paradigm shift of welfare state, from one that benefited the people according to its labour affiliation, to another of residual character that assists the poorest’ (2011, p.189).

³¹ CAS for “Committee of Social Assistance” by its Spanish acronym.

³² The first version (1979-1987) classified the household into five categories.

³³ A “direct means test” would use income as indicator.

1.2.4.2 - Empowered subsidiary welfare regime (1990s)

In 1990 the “Concertación”, a centre-left coalition, negotiated a transition to democracy under the rules of the dictatorship, something which implied limited room for political manoeuvre towards a change of the economic model. Therefore, this coalition tacitly acknowledged and legitimated the main neoliberal reforms introduced by the dictatorship, some of them with the hope of making gradual adjustments in the near future (Garretón, 1999; Moulian, 1997; Salazar and Pinto, 1999). Regarding the Public-Private Mix of the subsidiary welfare regime, the new governments in the 1990s did not threaten the main role of the private sector in pensions, health or education. Instead, they strengthened the state’s subsidiary role in those areas. The pension system stayed almost unaltered in the 1990s, except for an increase in the minimum pension. Despite the substantial increment of public expenditure, both health and education systems continued their dual operations: in the case of the health system, private insurance and better quality for higher-income people; and the residual public sector provision for the rest (Garretón, 2012; Larrañaga, 2011; Riesco, 2009). In education, private schools became available for the better-off, and for the families that cannot afford the fees, they had to send their children to public schools (Solimano, 2012).

Despite the broad continuity evidenced in those policies, a major increase in State expenditure in those areas took place, and sought to improve the quality of the services and expand coverage. Total public expenditure consistently increased between 1990 and the 2000 (see Table 1-2), and social expenditure increased from 11.3% of GDP in 1990, to 14.2% in the 2000 (CEPAL, 2017). During the nineties, social expenditure increased much more than the rest of the expenditures, with significant increments in Education and Health. Thus, in the year 2000 the Chilean government spent 79.9% more in Education compared to 1990; in Health this increase was 66.9% in the same period.

Table 1-2 - Chile - Real Per Capita Public Expenditure

(100 = 1990)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Total public expenditure	100.0	105.2	107.3	108.1	107.3	105.6	109.4	112.5	116.1	118.6	116.4
Non social expenditure	100.0	105.8	104.1	102.0	98.5	96.0	96.7	100.2	101.2	101.4	93.9
Social expenditure	100.0	104.9	109.2	112.0	112.8	111.6	117.4	120.3	125.5	129.4	130.5
Health	100.0	112.4	125.9	132.6	144.9	141.4	147.7	153.8	161.0	161.5	166.9
Education	100.0	105.5	112.8	119.0	124.4	128.7	143.0	153.7	168.7	180.8	179.9
Social protection	100.0	104.6	105.1	105.8	102.8	100.3	103.4	103.1	105.3	106.3	107.7
Other social Expenditure	100.0	68.8	94.0	101.0	97.1	101.6	113.5	120.0	119.3	155.2	140.7

Source: Adapted from (CEPAL, 2017)³⁴

In social policy matters, the key motif of the “Concertación” governments during the nineties was the payment of the so-called social debt, which had its most dreadful face in the percentage of poor people: 38.3% in 1990 (Raczynski and Serrano, 2005). Regarding the instruments of the welfare regime, these governments strengthened social assistance policies and did not introduce a social insurance policy. Thus, the amount of the Unique Family Allowance (SUF) and the Assistance Pension scheme (PASIS) were increased, the drinking water subsidy was also expanded, and these governments kept the CAS record as the targeting instrument (Raczynski and Serrano, 2005). In addition, the Solidarity and Social Investment Fund (FOSIS) was created in 1990, with the ‘mission to provide original ideas for overcoming poverty in the country on issues, areas and complementary working approaches’ (Pardo, 2003, p.27). As a Social Investment Fund, its intervention was mainly performed through the administration and distribution of grants for the generation of income of small-scale projects. These grants were allocated by means of socioeconomic and territorial targeting.

³⁴ Data build on General Government Expenditure, expressed in constant prices in US dollars of 2010. The General Government comprises the Central Government – central administration and decentralized entities– plus the subnational governments (intermediate and local governments).

Also in 1990 the Ministry of Planning (MIDEPLAN) was created with the aims of designing and introducing policies, at the national and regional level, oriented to priority groups and eradicating poverty. Priority groups were women, young people, indigenous communities and disabled individuals. For each of these groups, between 1991 and 1994, a specialised institution under MIDEPLAN's umbrella³⁵ was created (Raczynski, 2002; Pressacco and Salvat, 2012; Raczynski and Serrano, 2005). In parallel, throughout the years the "Concertación" administrations developed several social programmes under the MIDEPLAN's umbrella and other Ministries such as Housing, Labour, and Education, which focus on different population segments with the aims of addressing specific shortcomings (Larrañaga, 2011; Raczynski and Serrano, 2005).

For some authors, the significant increase in public expenditure and the new policies focused on the vulnerabilities of specific groups are considered a significant shift towards a further integrating role of the state in the 1990s (Arellano, 2011; Raczynski, 2002; Raczynski and Serrano, 2005). However, that benevolent opinion towards the "Concertación's" social policies is not shared by everybody. For instance, Garretón (2012) and Pressacco and Salvat (2012) argue that this period can be called as "corrected neoliberalism". In line with this, Solimano (2012) asserts that it was Neoliberalism "tempered by social protection". In my opinion, the increment in social expenditure implied a stronger role of the state but embedded within a welfare regime characterised by its liberal principles. In consequence, I argue that during the first two "Concertación" governments an "empowered subsidiary welfare regime" was forged.

The next table (No. 1-3) presents the most important reforms to the welfare regime, social policy and anti-poverty policies since the dictatorship until the Piñera's government; summarising not only some of the changes already described, but also the reforms and poverty tackle policies which will be discussed in the next sections.

³⁵ Later in 2002, SENAMA was created, a specialised institution for elderly.

Table 1-3 - Chile - Main policy reforms, 1979 - 2012

Dates	Government	key reforms and anti-poverty policies	Welfare Regime
1973 – 1990	Dictatorship – Augusto Pinochet (Right wing)	1975 - Elimination of fixation of prices and indexation of salaries. 1979 - Labour Plan 1979 - Health Reform 1979 - CAS record (Proxy Means Test) 1980 - Pension Reform 1981 - Unique Family Allowance (SUF) 1981 - Assistance Pension scheme (PASIS)	Subsidiary
1990 – 1994	“Concertación” – Patricio Aylwin (Centre-left)	1990 to 2000 - Payment of the so-called “social debt”, increment of public expenditure 1990 - Creation of the FOSIS, Chilean Social Investment Fund Policies towards priority groups (women, young people, indigenous communities and individuals with disabilities)	Empowered Subsidiary
1994 – 2000	“Concertación” – Eduardo Frei (Centre-left)	1990 to 2000 - Payment of the so-called “social debt”, increment of public expenditure. 1996 - National Plan for Overcoming Poverty 1996 - National Council for Overcoming Poverty 1997 - Chile Neighbourhood programme	Empowered Subsidiary
2000 – 2006	“Concertación” – Ricardo Lagos (Centre-left)	2002 - Solidarity Chile 2004 - Health Reform (AUGE) 2005 - Unemployment insurance	Empowered Subsidiary
2006 – 2010	“Concertación” – Michelle Bachelet (Centre-left)	2007 - Chile Grows with You programme 2008 - Pension reform 2008 - Subsidy for youth labour insertion	Subsidiary with inclusive and guarantor elements
2010 – 2014	“Alianza” – Sebastián Piñera (Centre-right)	2012 - Ethical Family Income	Subsidiary with inclusive and guarantor elements

1.2.5- Socio-Economic Context - Inequality

There were two main tasks for the Concertation coalition at the end of the dictatorship in 1990, namely: 1) to consolidate the incipient democracy, and 2) to pay the “social debt”. Poverty was the most dreadful face of that “social debt”; in 1990 poverty had reached almost 40% of the population, (Larrañaga, Cabezas and Encina, 2011; Raczynski, 2002; Raczynski and Serrano, 2005). Along with poverty, inequality defined the socioeconomic context, as Chile has been regarded as one of the more unequal countries in Latin America (Larrañaga, 2009; PNUD, 2017). Actually, inequality has been a decisive characteristic in the entire Latin American region because of income disparities³⁶, and also

³⁶ In global terms, Inequality in the region is high. ‘On average, the Gini coefficient for the European Union was 0.31 in 2013, with a range from 0.25 to 0.37. In Latin America the average was 0.49, with a range from 0.38 to 0.56’ (ECLAC, 2015, p.23).

because the region has been unequal in other relevant areas such as recognition, autonomy and racial inequality (Therborn, 2015). The high inequality of contemporary Chile can be traced back to the concentration of productive resources – privatisations– and the elimination of redistributive mechanisms during the dictatorship (PNUD, 2017).

Regarding income differences (see table 1-4), in the year 2000, the richest ten percent had access to 38.5 times more income than the poorest 10%, which was slightly higher than what it was in 1990 (37.6 times). Then, during the first decade of the new millennium, inequality in Chile dropped, following the trend in Latin America, during the so-called “moment of equality” (Lavinás and Fritz, 2015; Therborn, 2015). Thus, in the year 2000 the Gini coefficient was 0.554, and in 2011 it was 0.516; this figure was still high, but was considered a noteworthy reduction³⁷. However, as Therborn (2015) shows, the Chilean reduction of inequality is moderate in comparison with other Latin American countries such as Argentina, Venezuela, Ecuador, Uruguay or Brazil.

Table 1-4 - Chile and Latin America - Inequality indicators

Ratio decile 10/decile 1; Ratio decile 10/deciles 1 to 4 and Gini coefficient³⁸

Year	Decile 10/decile 1	Decile 10/deciles 1 to 4		Gini coefficient	
	Chile	Chile	Latin America	Chile	Latin America
1990	37.6	18.2	15.4	0.554	0.509
1996	37.3	18.3	18.2	0.553	0.533
2000	38.5	19.2	19.1	0.564	0.541
2006	30.1	15.9	17.6	0.522	0.533
2011	26.3	15.1	15.2	0.516	0.507

Source: Adapted from (CEPAL, 2017)

Regarding inequality trends in Chile, as it was shown in the discussion on the Empowered Subsidiary Welfare Regime, the 1990s witnessed a significant increasing of public expenditure which, according

³⁷ In the year 2011, the difference between the richest and poorest deciles was 26.3 times.

³⁸ Based on average per capita income.

Notes: - Latin America: Simple average of data of 18 countries compiled by CEPAL.

- Latin America data for 1990 only urban areas.

- Latin America data for 1996 correspond to circa 1997

- Latin America data for 2000 correspond to circa 1999, average of 17 countries.

- Latin America data for 2006 correspond to circa 2005

- Latin America data for 2011 correspond to circa 2010. In all cases, Chile's data correspond to the year mentioned.

to official sources, was a “pro-poor” expenditure (López and Miller, 2008; Meller, 1996; MIDEPLAN, 2001, 2004b). It was also a period for consistent economic growth and salaries also increased. However, as table 1-4 shows, during the 1990s income inequality remained consistently high. It was only after 2000 that this inequality dropped. According to the Chilean UNDP office, the immediate causes for the reduction in income inequality was lesser labour inequality and the government transfers, in the context of the commodity price boom (PNUD, 2017, p.77). Regarding the trends of the salaries, between 1990 and 2015 real wages increased in 120%; two periods can be identified; the first between 1990 and 2003 with high and stable wage inequality; the second one from 2003 to 2015, where inequality of the salaries dropped (PNUD, 2017, pp.267–268).

In addition to those broad trends in wage inequality, the tax system also affected equality. In general terms, it can alter inequality in three ways. First, whether it is progressive (levying the richer more than the rest and then redistributing) or not (taxing everyone evenly). Second, if the tax policy is counter-cyclical, which means tax reduction when the economy slows down and increasing taxes when the economy recovers. Counter-cyclical ‘tends to be pro-equity, while a pro-cyclical tax policy is at odds with equality’ (Valdés, 2015, p.182). Third, the size of the tax revenues, which the State redistributes later. Thus, For López and Miller, inequality remained high between 1990 and 2000 because ‘the level of expenditures in public goods has been insufficient... (and that as a consequence) of the rather narrow tax base which significantly constrained public revenues. The tax system has failed to feed the public sector with enough resources’ (López and Miller, 2008, p.2681)³⁹. According to data compiled by ECLAC (CEPAL, 2017), tax revenues as a percentage of the GDP were particularly low in 1990, and remained relatively stable (below 17%) after that (1992 to 2000). Then, they increased to over the 17% between 2000 and 2010⁴⁰ (see figure 1-4).

Regarding how progressive the tax policy has been; it can be stated that during the 1990s Chile had a relatively regressive tax structure which was highly reliant on indirect tax. This represented around 70% of tax revenues – based mainly in the VAT, which in Chile has a 19% flat rate⁴¹. Only after 2002 the reliance on indirect taxes began to diminish, even to less than 60% after 2006. That structure

³⁹ In similar fashion, Repetto (2016) also argues that a relatively small Chilean State contributed to keep inequality high.

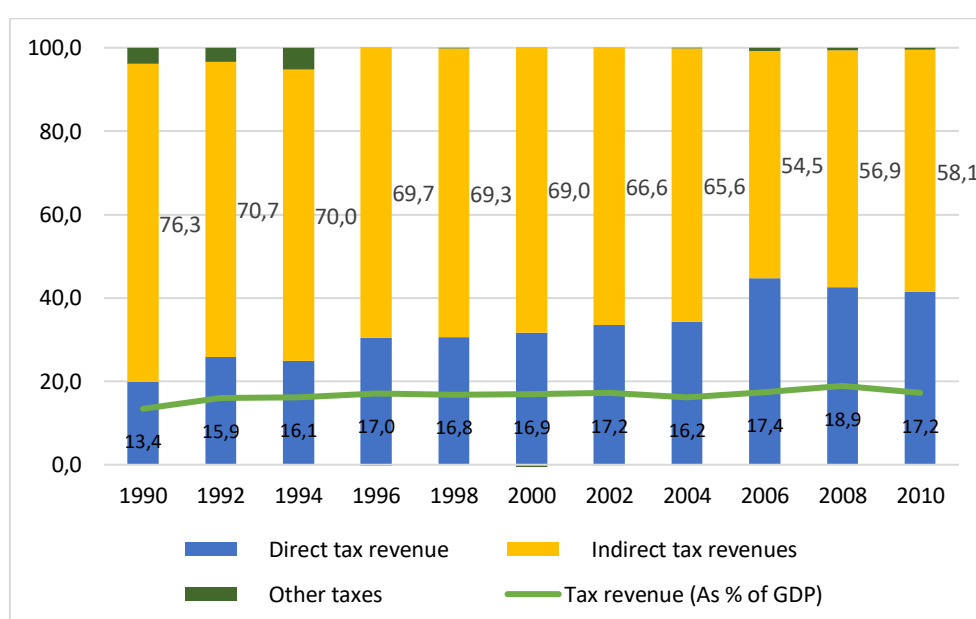
⁴⁰ Much less than the average 40.6% in EU countries in 2002, for example. See López and Miller (2008, p.2687). These authors set the total of tax revenues for Chile to 16.6% of the GDP, in 2002.

⁴¹ In 1990 the “General taxes on goods and services”, which include the VAT, represented 44.9% of all tax revenues; in 2010 they represented 44% of tax revenues (CEPAL, 2017).

contributed to keeping inequality high before the new millennium; however, Valdés (2015) and Repetto (2016) have shown, the tax structure after 2000 was not more progressive than before, as actually no substantial tax reform was implemented. What changed after 2000, was that the tax policy in Chile was made more counter-cyclical⁴², which influenced towards income equality (Valdés, 2015). The boom of the exports, which in Chile meant a higher price of copper, allowed an increase in the government's economic resources by means of increasing direct tax revenues. Valdés (2015) estimated that the taxes provided by the commodity sector represented 6.85% of all tax revenues during the nineties, and 14.45% in the first decade of the new millennium. Between 2000 and 2010, public expenditure per capita increased in 41.5%, while social expenditure augmented in 39.5% (CEPAL, 2017)⁴³.

Figure 1-4 - Chile - Total Tax Revenue and by Type of Taxes

Total Tax Revenue (as % of GDP), Tax Revenue by Type of Taxes (as % of the total of tax revenue)



Source: Adapted from (CEPAL, 2017)⁴⁴

⁴² This was done through the implementation of the rule of the structural budget surplus in Lagos Government (2001), which allowed more spending in low-growth periods, and a re-balance later when growth would return. (Arellano, 2011; French-Davis, 2015).

⁴³ Data build on General Government Expenditure Data expressed Constant prices in US dollars of 2010 (CEPAL, 2017).

⁴⁴ Data build on 'Tax revenue by type of taxes as a percentage of GDP. (CEPAL, 2017). It excluded Social Security contributions, which do not represent a greater change in the trends (1.5% of GDP in 1990, 1.3 % in 2010). Also, given the Subsidiary Chilean welfare regime, they do not have a distributive effect, because they go to individual account (Pension) or to an individual insurance (Health).

1.3 - Chilean Poverty Policies

1.3.1- Poverty Situation and Reduction Explanations

In 1990, the poverty rate was 38.3%, while in 2000 that figure dropped to 20.1% and continued to do so until it reached 10.9% in 2011, according to official measures⁴⁵. Conversely, extreme poverty (the objective population of the two Chilean CCTs) was almost 13% in 1990, while in 2000 it was 5.5% and then continued falling to 3.1% in 2011 (see table 1-5). The condition of women in poverty can be determined by the so called Femininity Index, which shows that the incidence of poverty is greater among women than among men. During the 1990s, poverty among women was higher but remained relatively stable; it was after 2000 when this femininity index significantly increased in poverty and extreme poverty, in a context of overall reduction of poverty. In other words, women were less able to overcome poverty.

Table 1-5 - Chile - Poverty indicators (1990 to 2011)

	Headcount Extreme Poverty and Poverty		Femininity index		Percentage below 60% of the median
	(Percentage)		(Index)		(Percentage)
	Extreme Poverty	Poverty	Extreme Poverty	Poverty	
1990	12.9	38.3	112.5	107.4	27.4
1992	9.0	32.8	114.7	108.6	25.9
1994	7.5	27.5	117.8	110.5	27.4
1996	5.7	23.1	114.5	107.9	27.2
1998	5.6	21.6	109.0	109.4	27.5
2000	5.5	20.1	114.7	109.1	27.4
2003	4.6	18.6	120.3	115.0	26.4
2006	3.2	13.7	132.2	123.9	25.5
2009	3.6	11.4	128.8	128.1	24.5
2011	3.1	10.9	152.0	145.2	24.1

Source: Adapted from (CEPAL, 2017)

Analyses of the evolution of poverty have been relevant for poverty policies in Chile, and they have emphasised or rejected the influence of certain aspects, but also forgotten others. There was a kind

⁴⁵ In the year 2015 the official monetary measurement of poverty and extreme poverty changed, adapting it to the evolving needs and living standards of Chilean society. In addition, an official multidimensional measure was introduced (MDS, 2015). For this research, those changes are not going to be considered because they were made after the period covered here, namely, the design period of the two Chilean CCT programmes.

of consensus on the relevance of the economic growth in the reduction of poverty. Thus, Contreras and Larrañaga (1999) estimated that poverty rates had been relatively high between the 1960s and mid-1980s (above 40%), but then they significantly fell since 1985 until mid-1990s, mainly because of the increase of per capita income throughout the period. Contreras (2003), analysed the 1990-1996 period, when most of poverty reduction processes took place, and found that 'the economic growth account[ed] for 87 percent of the poverty reduction during the period' (2003, p.189). Contreras used the Datt-Ravallion decomposition and other techniques to validate the results. In addition, these types of analysis evidenced the almost non-existent role of equality in the reduction of poverty during the 1990s, which is consistent with the persistent inequality in that period. The relevance of GDP growth is also acknowledged by Meller (1999) and by the rather critical report by the National Council for Overcoming Poverty in 1996 (CNSP, 1996). Although, the National Council argues that economic growth is necessary, they conclude that it is not a sufficient condition to overcome poverty⁴⁶.

The important role played by human capital in the reduction of poverty rates between 1990 and 1996 has also been documented in the literature (Contreras, 2003; Contreras and Larrañaga, 1999). In these analyses, human capital is strongly linked to labour income, and it was expressed in years of schooling and work experience. In these terms, 'poverty reduction has been associated with increases in the endowment, utilisation and valuation of households' human capital' (Contreras and Larrañaga, 1999, p.28). Authors such as Contreras and Larrañaga dismissed the role of social assistance transfers in the reduction of poverty experienced in the nineties. Similarly, the National Council for the Overcoming of Poverty (CNSP, 1996) also cast doubts on the real impact of these transfers. However, Meller (1999) and some government assessments (MIDEPLAN, 2000, 2001, 2004b) stress the impact of these transfers in poverty reduction and in fighting inequality, arguing that without them income differences might had been even larger. Thus, the use of social assistance policies were, at least, partially validated.

The National Council for Overcoming Poverty⁴⁷ has been a critical actor since their beginnings. In its initial report, (CNSP, 1996), at the time dismissed by Frei's Government, the Council contended that the main factors in overcoming poverty have been the expansion of employment and the increase in real wages in a context of low inflation. However, employment and growth in Chile in the 1990s were

⁴⁶ This report was also a landmark in the poverty debate in Chile, because it advocated for a multidimensional notion and measurement of poverty.

⁴⁷ Later it became the NGO 'National Foundation for Overcoming Poverty'.

depleted as strategies to tackle poverty, so it was necessary to move further to a second stage in order to face the “harder overcoming of poverty”. For the Council, this meant new policies and institutional changes which could replace targeting policies. (CNSP, 1996).

After the design of SCH and before the EFI programme (between 2004 and 2010), the crucial importance of economic growth and enhancing human capital in overcoming poverty was reiterated (Contreras and French-Davis, 2012; Larrañaga, 2009; Matte and Camhi, 2006). Along with these, two other topics emerged in this period. The first was the discussion on poverty dynamics, a debate fuelled by the publication of the Panel-CASEN survey (available since 2002-2003). These studies showed a high mobility of low-income families across extreme poverty and poverty lines (Castro and Cheyre, 2006; Larrañaga and Contreras, 2010; MIDEPLAN, 2002a; Neilson et al., 2008).

The second topic was the evaluation of the SCH as a poverty-tackling policy. On the side of qualitative analyses, the results as a whole were not positive. Raczynski found that some families were optimistic about the future, but it ‘would be a few cases in which families are able to persevere when they are facing strong adverse conditions such as prolonged episodes of unemployment, serious illness or domestic violence situations’ (Raczynski, 2008, p.32). In addition, she argued that opinions largely depended on the family’s previous conditions. Thus, for families with problems of alcohol, drugs or domestic violence among its members, the programme merely provided benefits and, as a whole, SCH was not much appreciated (Raczynski, 2008). On the quantitative side; Galasso and Carneiro (2007) – members of the WB at the time – analysed the SCH panel survey (2003-2006), and found positive, albeit limited results in several dimensions of the programme. They estimated that SCH was responsible for 18% of the reduction of extreme poverty in urban areas between 2003 and 2006 (Galasso and Carneiro, 2007). However, Larrañaga, Contreras and Ruiz-Tagle (2009) disregarded that evaluation⁴⁸ and found that autonomous income has dropped. Furthermore, they argued that ‘(t)he attributable results of the SCH are positive but of reduced magnitude in employment and housing’ (Larrañaga, Contreras and Ruiz-Tagle, 2009, p.22). In short, for these scholars, SCH evidenced a number of relevant shortcomings in terms of training and employment.

⁴⁸ The main argument was that this evaluation used the SCH Panel survey, and it was built after the beginning of the programme; therefore, it broke the logic of a proper evaluation. Instead, they used the CAS record.

Considering the aspects that have been neglected, and despite what the National Council for Overcoming Poverty has emphasised, there was almost no debate on the role of real wages in poverty evolution. The only discussion regarding salaries was related to human capital. What has been almost entirely absent is the acknowledgment of the relationship between poverty evolution and other labour aspects, such as the bargaining power of unions and the flexibility and precariousness of labour relationships⁴⁹. With respect to the latter issue, a discussion on the structural heterogeneity of Chilean economy, and its dependency on raw material exports –particularly copper – has been also absent of the debates about poverty. In particular, this discussion should consider the influence of low productivity jobs in inequality and poverty⁵⁰.

1.3.2- Poverty Policies before CCTs

During the second “Concertación” government of Frei Ruiz-Tagle (1994-2000), poverty was explicitly regarded as a problem in itself. To tackle poverty, the Social Interministerial Committee (headed by Frei Ruiz-Tagle himself) was established with the objectives of designing a National Plan for Overcoming Poverty, focussing public action and coordinating public programmes (Raczynski, 2002). The plan sought to create poverty programmes in sectoral ministries and the creation of “territorial maps” of poverty (Raczynski, 2002; Hardy, 1997). Furthermore, the government established the National Council for Overcoming Poverty as a space for reflexion for civil society in order to give advice to the authorities in the implementation of the National Plan (Raczynski, 2002). The report made by that Council (CNSP, 1996) was not well received by Frei Ruiz-Tagle’s government. According to Raczynski (2002), the government expected a less critical work from the Council and more alliances between public and private sectors to coordinate initiatives to tackle poverty⁵¹. The National Plan lost legitimacy soon, and its many initiatives failed due to the lack of fresh resources allocated to cross-sectoral strategies, and also because the ideas from communities and NGOs were not considered by the government (Raczynski, 2002).

Nevertheless, it was during Frei Ruiz-Tagle’s government that the Ministry of Housing began to develop the programme Chile Neighbourhood, the first governmental initiative that placed poverty

⁴⁹ Some authors have emphasised the flexibility and precarity of Chilean labour relations, for example: Atzeni, Duran-Palma and Ghigliani (2011); Gammage, Alburquerque and Durán (2014) and Leiva (2009).

⁵⁰ Regarding the structural heterogeneity applied to Chilean economy, see Infante (2009) and Infante and Sunkel (2009).

⁵¹ The Council had some businesspersons among its members. Soon after that, it became autonomous (NGO).

relief among its main objectives (Frenz, 2007). It started in 1997, when the government commissioned a cadastre of precarious settlements. The report established that more than 100,000 families lived in precarious conditions, and were distributed in 972 irregular settlements throughout the country (Saborido, 2005; Frenz, 2007). To address this situation, “Chile Neighbourhood” gathered an intersectoral group of public institutions, with the fundamental aim of overcoming poverty in those irregular settlements. The programme was in operation in 1997 in 4 regions (pilot phase) and then in 1998 it reached the whole country (Saborido, 2005; Frenz, 2007; Raczynski and Valderrama, 2007). The program formally finished in 2010 (MINVU, 2010).

Table 1-6 - Chile Neighbourhood - Components.

Components	Aims	Institution	Results
1) Improvement of housing and neighbourhood.	Access to an urban structure (same place or relocated) with a dwelling, basic sanitary and communitarian services.	Ministry of Housing.	By 2006 almost all of the original settlements were intervened. Housing conditions were improved (better housing in the same place, relocation or a mixed solution).
2) Social enabling.	Improve social capital for families and strengthen community organisations and social groups through the involvement of the community in the development of neighbourhood and training programmes.	FOSIS.	Non-positive results. New organisations were not created and trust among beneficiaries did not increase.
3) Labour and productive enabling.	Improve human capital of the inhabitants through the finalisation of formal studies (primary education); also, access to job training programmes or other productive initiatives.	Training and Employment Service	By 2006 more schooling years in these adults were reported; but there was no increase in formal employment.

Source: Adapted using (Frenz, 2007; Raczynski & Valderrama, 2007; Saborido, 2005).

As regards poverty, the impact of “Chile Neighbourhood” was not clear, despite the increased income displayed by some families (Frenz, 2007; Raczynski and Valderrama, 2007). The programme’s evaluation, published in 2006, did not seem to be positive; however, it was before that those results were reported when Lagos’s government changed the strategy to tackle poverty, selecting a family-based perspective instead of a community-based one, such as “Chile Neighbourhood”. This was the birthmark of SCH.

1.3.3- Solidarity Chile (SCH)

SCH emerged from two related diagnoses. On the one hand, the “hard-core” poverty hypothesis, which was supported by the stagnation of extreme poverty around 5.5% between 1996 and 2000 (see table 1-5). This was ‘the hypothesis that this is a population nucleus with difficulties towards integration into the channels of the economy’ (Larrañaga, Contreras and Ruiz-Tagle, 2009, pp.6–7). Accordingly, the programme was built to challenge such “hard core” poverty, that is, the extremely poor people (Galasso and Carneiro, 2007; Palma and Urzúa, 2005; Raczynski, 2008). This hypothesis was coherent with what was stated by the National Council for Overcoming Poverty (CNSP, 1996), regarding the idea that Chile moved onto a new stage of the harder overcoming of poverty. On the other hand, assessments by the Ministry of Planning indicated that the ‘extreme poor not only had lower independent incomes but also received lower State cash subsidies than non-indigent households’ (Palma and Urzúa, 2005, p.17).

The Planning Ministry designed, as a first measure, the “Bridge programme” in 2001 (carried out by FOSIS) with the aim of (re)engaging families in extreme poverty with public programmes and benefits; the assumption was that the State had enough programs available for extremely poor families (Palma and Urzúa, 2005; Larrañaga, 2011). Later, by means of presidential decision, the “Bridge programme” was regarded as a component of SCH (Martínez Franzoni and Voorend, 2011; Palma and Urzúa, 2005). SCH was defined as a ‘system of social protection for families in extreme poverty that combines aid and skills development in an integrated approach’ (Palma and Urzúa, 2005, p.20). The primary goal was to improve living conditions of families in extreme poverty. The specific objectives of the programme were: 1) to provide psycho-social support to the families; 2) to bring the families closer to available social benefits; 3) to generate minimum conditions to improve their living conditions (Larrañaga, Contreras and Ruiz-Tagle, 2009; Raczynski and Serrano, 2005).

Table 1-7 - Solidarity Chile - Components

Components	Characteristics	
1) Psycho-social support to families	Performed by a counsellor (usually a Social Worker or Psychologist). It worked with the families in the seven dimensions of the programme, attempting to achieve the 53 minimum thresholds ⁵² .	Seven dimensions: 1) Personal identification 2) Health 3) Education-training 4) Household dynamics 5) Housing 6) Employment 7) Income
2) Privileged access to public services	Facilitated by the counsellor throughout programme's dimensions.	
3) Guaranteed access to existing cash transfers.	- Family Allowance (SUF) - Assistance Pension (PASIS) - Subsidy for drinking water	
4) Cash transfer (specific)	Social Protection Allowance. Received by a woman in the household (head of family or wife-partner).	Amount: 27 USD monthly for 6 months and then gradually decreased until 13 USD per month ⁵³

Source: Adapted using (Palma and Urzúa, 2005; Larrañaga, Contreras and Ruiz-Tagle, 2009; Raczynski, 2008; Robles, 2012; Barrientos, 2010).

The programme was a CCT because the families signed a contract with the State in which they committed to work for two years with a counsellor. In exchange for that commitment, the families would have access to the Social Protection Allowance and other stipends. The programme started in 2002 and the selection of the families was made according to the CAS Record score; the coverage target was 225,000 families (Palma and Urzúa, 2005; Raczynski, 2008). In 2009, 306,000 families had participated in CHS, which represented 7.6% of the national population (Cecchini, Robles and Vargas, 2012). The overall cost of the programme in full operation (2005) represented 0.2% of the GDP (Raczynski, 2008, p.25). The programme still exists in legal terms, but in 2010 the centre-right government started the design stage of EFI programme, which also tackled extreme poverty and eventually replaced SCH in practical terms.

⁵² The minimum thresholds were divided by dimensions. In the design, they express the enabling elements to be linked up with the public programmes and the 'basic standards of quality of life that must be guaranteed' (MIDEPLAN, 2009, p.66). In his overoptimistic paper about SCH, Barrientos (2010) related these minimums to Sen's capabilities.

⁵³ Amounts according to the estimations (exchange rate) of Cecchini and his colleagues (2012).

1.3.4- Ethical Family Income (EFI)

After 20 years of the centre-left “Concertación” coalition in the government, Sebastián Piñera won the presidential election supported by a centre-right alliance. His government (2010-2014) changed the priorities in poverty policies. SCH was finished in 2011 and, on that basis, another poverty relief programme was designed, also a CCT: The Ethical Family Income programme (EFI). In fact, in 2011 one stipend which now is part of EFI (called Social Allowance), was given to the beneficiaries of SCH as a form of transition between the two programmes (Fernández, 2013; Vargas, 2011; Henoch and Troncoso, 2013). The central diagnostics behind this programme were that extreme poverty still exists in Chile, and that SCH failed because it did not incentivise the generation of autonomous income. Likewise, the higher proportion of women in poverty was acknowledged. In formal terms, the programme was enacted in 2012 as a Subsystem of Assurances and Opportunities. According to the Government, ‘people must be the protagonists in their own lives, especially in the process of overcoming poverty and through their own efforts, so necessarily employment should be at the centre of policy’ (MDS, 2013, p.5). The subsystem, which is broadly known as Ethical Family Income, has four components (MDS, 2014; Vargas, 2014; Arellano, 2013), namely:

1. Axis program: it helps families navigate their participation activities. It has three phases: diagnostic, monitoring and evaluation.
2. Accompaniment: it delivers tailored services to the families in: a) psycho-social, for social inclusion and autonomy; b) socio-labour, for the improvement of the autonomous generation of income.
3. Income Transfers: it is divided into three pillars, with conditionalities and rewards (see table 1-8).
4. Access to public services: it facilitates the access of the families to public services.

Table 1-8 - Ethical Family Income - Income transfers

Pillar	Targeting	Condition	Amount⁵⁴ (Average)	Duration	Receiver
Dignity	Extreme poverty	Unconditional. (Participation in the programme and must be part of the Accompaniment)	a) 27 USD per month for family. b) 13 USD per month, for each member of the family.	24 Months	Mother or Women head of household.
Duties	Extreme poverty	a) Health, periodical check-ups. b) Education, school attendance.	17 USD per month.	24 Months	Mother or Women head of household.
Achievements	30% most vulnerable.	Effort bonuses for school achievements (two levels of high grades).	Between 63 and 104 USD annually.		Mother or Women head of household.
	40% most vulnerable.	Subsidy for Women Employment. For women with a net income lower than 769 USD per month.	20% of salary. Also, a 10% of salary for employers.	Up to 4 years.	Women at work.

Source: Adapted using (MDS, 2014; Cecchini, Robles and Vargas, 2012; Vargas, 2014; Arellano, 2013).

The EFI places greater emphasis on the autonomous generation of income, thus increasing participation of the families in the labour market⁵⁵. In order to address this, employment support schemes were developed as key elements in the programme's design – the Socio-Labour Support – which can be arranged in four levels. The first level is the assessment of the family possibilities, that is, whether someone can work or not, and if they can, what they can do. The second level includes job sizing and accompanying individuals in the process by means of the advice of a specialised professional. The third level, depending of the assessment and the recommendations of the specialist, was either training courses in a craft or support to start a microbusiness. The fourth level was labour intermediation for those who sought to enter the formal sector as employees (Cecchini, Robles and Vargas, 2012; Arellano, 2013). Participation in some of these training programmes –through the Socio-Labour Support– was compulsory to join the programme.

⁵⁴ Amounts according with the estimations (exchange rate) of Cecchini and his colleagues (2012). Average figures because amounts decrease over time.

⁵⁵ Participating in the labour market included not only working in the formal sector, but also temporary jobs or microenterprises.

1.3.5- Towards a Chilean Social Protection System

Previously, I argued that the welfare regime in Chile during the 1990s can be regarded as an Empowered Subsidiary one because it kept the liberal logic, although it increased social expenditure. It was only after the enactment of the Health Reform in Lagos' government (2004) that the liberal – subsidiarity – logic began to change. In Health, the public sector had a residual role, mainly for lower income people who had no access to private provision (Riesco, 2009; Larrañaga, 2011). This resulted in 'severe gaps in terms of quality, opportunity and funding of the attention granted by the public system vis-à-vis the private' (Robles, 2012, p.27). The AUGE Plan⁵⁶ – a health reform – was created to face some of those disparities; it gave everyone guaranteed access to quality, promptness and financial protection against a number of diseases. In 2005 the explicit guarantees targeted only 40 health conditions, whilst in 2014 it included 80⁵⁷ (Larrañaga, 2011; Robles, 2012). For the rest of health conditions, the system remained almost the same one inherited from the dictatorship⁵⁸.

The second substantial change, after the health reform, was the pension reform in 2008 in the first presidential term of President Bachelet. This reform was also introduced to face the most urgent shortcomings of the Chilean pension system. The main issues were that low wages and the breaks in social security savings due to unemployment, self-employed or informal labour resulted. According to estimations before the reform, that 'the projection for 2020 is that about 60% of pensioners of the AFP⁵⁹ would not be able to receive the minimum pension; in addition, two thirds of them would not qualify for the state guarantee of the minimum pension due to failure in the number of contributions (for savings pension) paid' (Larrañaga, 2011, p.214). In order to tackle those issues, three new pillars to the existing individual capitalisation system were added: 1) Mandatory, an obligation of pension savings for the self-employed⁶⁰; 2) Voluntary pillar, involving a tax exception for voluntary retirement savings; 3) Solidarity Pillar (the most relevant one) which is the Basic Solidarity Pension⁶¹. In this last pillar, the amount of the non-contributory pensions was increased and the targeting rules were changed. The Basic Solidarity Pension scheme is for the older people in the 60% of population with

⁵⁶ AUGE by its Spanish acronym (Universal Access with Explicit Guarantees).

⁵⁷ <http://www.supersalud.gob.cl/difusion/572/w3-propertyvalue-3130.html> [Accessed 28 Nov. 2017].

⁵⁸ Just to illustrate how limited this reform is, and the weight of the private sector, it can be noted that in 2015 the 'share of government spending in Chile as a share of total spending on health has remained very low – the lowest of the OECD – at 46%. This is far below OECD average of 73% [...] Among OECD countries, only the United States and Chile report public spending on health below 50%' (OECD, 2015, p.2).

⁵⁹ Private capitalization system.

⁶⁰ Before this reform, only employees had that obligation.

⁶¹ This replaces the Assistance Pension (PASIS), social assistance policy created in the dictatorship.

low income who have not access to another pension; thus incorporating people of the middle and lower social strata (Larrañaga, 2011; Martin, 2012; Robles, 2012).

Along with the Health and Pension Reforms, other policies were introduced and began to configure what was called by Bachelet Government's and some researchers the Chilean "Social Protection System" (Hardy, 2011; Martin, 2012; MIDEPLAN, 2009; Robles, 2013). This set of policies were designed and organised under the umbrella of the "Social Risk Management" (SRM) framework, advocated by the WB. Social protection was understood as 'a comprehensive set of policies and instruments aimed at reducing risk and vulnerabilities of individuals, and include all the mechanisms and strategies that are in support of communities, households and individuals to enable them to prevent, manage and overcome these risks and vulnerabilities' (MIDEPLAN, 2009, p.9).

Regarding the use of the SRM framework. First, a distinction of strategies was applied by the Chilean Government: 'according to the approach of SRM, these strategies should be analysed and set based on the seasonality of the risks they face. From this, we can identify three major risk management strategies' (MIDEPLAN, 2009, p.42). These strategies are "prevention", "mitigation" and "coping" strategies (MIDEPLAN, 2009, pp.43–45). Second, the fundamental concept organising the risks and the policies was the notion of "life-cycle", also present in the WB conceptualisation. Thus, the so-called Protection Network organised the more relevant policies which dealt with the inherited risk emerging during the "life-cycle". According to a former MIDEPLAN's Minister, SCH was an intersectoral initiative introduced to tackle the risks of extreme vulnerability, which could affect all the stages in the "life-cycle" (Quintana, 2011).

As part of this social protection, the "Chile Grows with You" programme was created to target early childhood. Regarding youth, scholarships and the "Subsidy for Youth Labour Insertion" were implemented (Hardy, 2011; Quintana, 2011); these two policies were created in the first Bachelet government. With respect to adulthood a limited unemployment insurance scheme was introduced during Lagos' administration⁶²; besides, the housing programmes (Hardy, 2011). With regard to risks

⁶² Created in 2002 and modified in 2009, the unemployment insurance scheme is only for employees (with indefinite or fixed-term contracts). It is financed by contributions from employers and employees in individuals accounts, plus a solidarity fund with State contributions only for unemployed people who do not possess the minimum funds in their individual accounts. The benefits are only for 5 months; in the first month it represents 50% of the salary, dropping to 30% in the fifth month (Velásquez, 2010).

associated with the elderly, they were addressed by the Solidarity Pillar of in the Pension Reform. In broad terms, some supporters of the “Concertación” coalition interpreted the social policies of the first two governments (1990-2000) as part of an ‘approach based on necessities’; while the changes introduced in Lagos’ and Bachelet’s presidential terms were seen as an approach ‘based on the right to social protection, guaranteeing basic social rights as a precondition of citizenship’ (Martin, 2012, p.4)⁶³.

Returning to the dimensions of the welfare regimes. Regarding the “instruments”, it can be stated that the pension’s Solidarity Pillar represented an increased role for the social assistance provision of welfare. Meanwhile, the health reform had also a component involving social insurance as well as a greater public provision of health services. In the “public-private mix”, with these reforms the state has taken a more active role in securing welfare for the families; it has not replaced the private provision, but the state has provided financial security against excessive cost (AUGE programme - health). Additionally, recent policies have modified, albeit slightly, the “stratification system promoted by the Welfare Regime”; that not only in a general sense of a regime more inclusive⁶⁴ but mainly concerning the way to allocate benefits (broader use of targeting). As Esping-Andersen asserted, the use of targeting and means testing are an expression of ‘liberalism’s ideal of stratification, (which is) the competitive individualism that the market supposedly cultivates’ (1990, p.64); that is, specific support only for the needier⁶⁵. This began to change with the Solidarity Pillar of the pension reform, which covered 60% of the population with the lowest income. Likewise, the AUGE programme (health) provided explicit guarantees of quality, promptness and financial protection despite the insurance system to which an individual belonged (public or private).

To sum up, the dictatorship and its neoliberal reforms created a Subsidiary Welfare Regime which, in the first two democratic governments (in the 1990s) did not change regarding its logic and main features, but empowered the role of the State through an increase in public spending. It was only with the reforms in Lagos’ presidential term (2000-2006) and particularly in Bachelet’s first presidential term (2006-2010) that actual changes were made in the welfare regime and in the entitlement system. These changes were retained by Piñera’s centre-right government (2010-2014). For authors such as

⁶³ In similar terms, (Hardy, 2011; Quintana, 2011; Robles, 2013).

⁶⁴ For example, Larrañaga asserts that the pension reform ‘denotes a shift from the concept of residual welfare state to a more inclusive one’ (2011, p.215).

⁶⁵ See also Martínez Franzoni (2008) and Robles (2013).

Raczynski (2008), Martin (2012), Robles (2012), and ex-ministers Quintana (2011) and Hardy (2011), those policies have signified a construction of a “Social Protection System”. In my opinion, these changes indeed represent a variation towards a more inclusive and guarantor welfare regime. However, the State still has merely a subsidiary role, and the two poverty policies can only attest that.

Chapter's Conclusion

This Chapter briefly discussed the most important contextual aspects in which the two Chilean poverty policies were designed and their place in the Chilean welfare regime. In the long-term, the neoliberal reforms introduced by the Dictatorship still resonate and set the boundaries for an economy whose growth has lifted many families from poverty and has significantly increased the GDP per-capita, among other positive indicators which must be highlighted. Since the transformations undergone in the 1970s and the 1980s, Chile has presented an outward-oriented economy with strict control of inflation. Nowadays, more products are exported and the flow of imported products is allowed. This creates an environment of political and economic stability that has attracted many foreign capitals. However, despite that diversification, Chilean exports are still based on copper and the rest are mostly primary products, with no or low added value. In the past 20 years of democratic administrations, the economic strategy inherited from the dictatorship has not changed significantly; actually, it has been deepened by means of several free trade agreements.

In a strict sense, the Subsidiary welfare regime inherited from the dictatorship is not the same. Public expenditure in the 1990s increased significantly, although the principles and underlying logic remained the same. Only in Lagos' and Bachelet's administrations, the welfare regime started to shift towards a more inclusive one, with a major public provision of welfare, and with the introduction of some social insurance policies and less severe targeting. On the whole, however, the system can still be regarded as subsidiary because its defining features continued to be applied, a Solidarity Pillar was added to a system which is mainly based on private capitalisation, and the health system is still segregated and with a significant private expenditure.

Regarding performance, the most relevant success in this respect has been the reduction of poverty and extreme poverty, as it consistently dropped until 2011. This resulted in one of the lowest percentages in the Latin American region. Nevertheless, the trends in inequality have not been so successful; during the 1990s, inequality remained very high and only started to fall in the first ten years of the new millennium. Still, Chile is a very unequal country, far more than almost any other OECD country. This issue is relevant because the social policy focus could have been in inequality instead of poverty.

This research does not question the welfare arrangements in itself or its performance aims; rather, the focus is placed on poverty policies and why and how policy makers designed those policies. Thus, the present Chapter has shown that the CCT programmes in Chile are more related to the Social Investments Funds of the 1990s, than to the attempt to make the Subsidiary welfare regime a more inclusive one. In the same vein, SCH and EFI are more congruent with the highly-targeted social assistance programmes of the dictatorship, than with the more universalist health and pension reforms of Lagos and Bachelet. Moreover, regarding the place of the CCTs in the SRM framework for the social protection of the WB, the Chilean case displays ambiguity.

With respect to the Chilean case, SCH and EFI retain the features of the welfare arrangement inherited from the dictatorship, namely, 1) they are social assistance policies; 2) due to their magnitude and limited objective population, they do not represent a significant boost to the public provision of welfare; and most importantly 3) the extensive use of targeting casts doubts on how inclusive these policies are. The fact that Bachelet's government and some researchers place SCH at the same level of other initiatives does not mean that the CCTs should be seen as part of SRM, or that these initiatives share the same logic with these two Chilean CCT programmes. Rather, the opposite happens; Solidarity Chile and Ethical Family Income programmes, and the CCTs in general, possess liberal antecedents in their origins, which indeed link them to the social policy proposals established by neoliberalism.

Chapter No. 2 – Conceptual Framework.

Chapter's Introduction

The CCT model and the specific Chilean CCT programmes were not designed in a vacuum; these are policies which resonate with several debates on social policies and poverty, which are part of the background and toolbox of the policy makers. Nobody could expect that all these debates, approaches, theories and concepts would be fully known by each policy maker. However, as will be seen in the next four empirical chapters, these concepts and debates influenced the decisions made by policy makers at the time of the design of these programmes.

The present chapter examines the main concepts and debates, related to the analysis of poverty, which is related to CCT programmes in general, and to the design of the two CCT programmes in Chile in particular. In previous sections, the CCT model, its theoretical foundations and the main features of the SCH and EFI programmes were presented. This chapter will place the focus on the concepts and debates that characterised the analysis of the CCTs. In the first section, the ways in which poverty has been understood are briefly discussed. This is an extensive and complex debate, only some of the most important approaches addressing the meaning and causes of poverty will be identified. Then, the concept of “human capital” is discussed as a key explanation for poverty and its intergenerational reproduction of it according to the CCT programmes. The concept of “Underclass” is the third element discussed here, as it reduced poverty to a condition which only affects a specific group of people.

The fourth concept is “targeting”, a widely used mechanism to select individuals or families that deserve to be assisted. Targeting is based on the long-standing “deserving/undeserving” debate. The debate on “co-responsibility” and its relationship with the trope deserving/undeserving is discussed in the fifth section. The conceptualisation of poor people as co-responsible for their situation has been a powerful concept, emerging out of an individualist notion of poverty, and founded on the idea of retribution in exchange for the support provided. The sixth section briefly addresses the relationship between “poverty and psychology”, a key debate around the psychosocial features of the two Chilean programmes. Finally, the seventh section is devoted to the use of “conditions”, a crucial idea in the CCT programmes involving the use of incentives and the creation of obligations for poor people.

2.1 - Concepts of Poverty

2.1.1 - Definitions and Concepts

The CCTs focus on “human capital” denotes a certain understanding of what poverty is and its causes, but it also neglects other ways in which poverty has been thought. However, before analysing human capital, it is necessary to briefly discuss a number of approaches that can arrange the debate about poverty. Here, it is useful to acknowledge the distinction made by Ruth Lister (2004) between “concepts” and “definitions” of poverty. The former informs the meaning of being in poverty, its understanding and the discourse surrounding it; the latter refers to the distinction between poor and not poor. Therefore, the measurement of poverty is part of the definition debate. In other words, concepts of poverty ‘provide the framework within which definition and measurements (of poverty) are developed’ (Lister, 2004, pp.3–4).

A definition approach would involve a discussion on the characteristics of those who qualify as poor or extremely poor and thus entitled to receive social assistance. There are different ways to define poverty; for example, a complete relational approach can be found in Simmel’s (2009) work, when he defines poor people as the individuals who receive social assistance⁶⁶. As Simmel states, ‘[t]he moment they are assisted they enter into a circle characterised by poverty. Admittedly this group is not held together by interaction among its members but by the collective attitude that society as a whole takes up toward it’ (Simmel, 2009, p.440).

The viewpoint held by Simmel and others is problematic because it is circular. Hence, the definitions of poverty usually consist in establishing a criterion or set of criteria which allow for the identification of the poor. In order to do that, it is necessary to answer at least two questions: in which space will the situation be considered? and how to differentiate the poor from the non-poor? (Laderchi, Saith and Stewart, 2010). Thus, in the overused “monetary approach”, poverty is a shortfall in income or expenditure, which is confronted with a threshold that could be absolute, or relative to the income of

⁶⁶ See also Coser (1965) Paugam (2007). The German sociologist was not the first one to define poverty in this way; for example, in England at the end of the 17th century, Gregory King identified certain poor individuals as “paupers”, because they had the characteristic of receiving poor relief. Later, at the end of the 18th century in England, Sir Frederick Morton Eden also identified the poor in a similar fashion. See Stone (1997).

a particular society (Atkinson et al., 2002; Feres and Mancero, 2001; Brady, 2003a; Rank, 2016). In the case of Sen's proposal, the space in which poverty should be evaluated refers to "capabilities", and the threshold depends on which capabilities are regarded as basic (Sen, 2000; Alkire, 2007). Other definitions of poverty found in the literature are related to "relative deprivation" of Townsend (1979), the OPHI approach to measuring multidimensional poverty (Alkire and Foster, 2009; Santos et al., 2015), the "unmet basic needs" methodology created in Latin America under the ECLAC's umbrella (ECLAC, 2013; Feres and Mancero, 2001); and the "participatory methods" (Chambers, 2007).

The present research follows the concepts path for three reasons. First, the concepts path encompasses definition and measurement. Second, while definitions are more circumscribed to measurement, the debate on the concepts of poverty not only includes definitions, but also scrutiny regarding the meaning of poverty, how to tackle it, and its causes. Third, the debate on measurement in Chile and Latin America has been drastically limited by the availability of data and indicators. In addition, there is a kind of consensus on how inappropriate the unidimensional income measures are when compared to the superior multidimensional approaches (ECLAC, 2013; MIDEPLAN, 2011; Santos et al., 2015).

2.1.2 - Concepts of what poverty mean

Regarding the concepts of poverty, i.e. the meaning of being in poverty, there are several approaches that can be discussed. For example, Peter Townsend strongly criticised the subsistence notion of poverty based on nutritional requirements. Instead, he proposed an understanding of poverty in terms of "relative deprivation". Thus, people are in 'poverty when they lack the resources to obtain the type of diet, participate in the activities and have the living conditions and amenities which are customary, or are at least widely encouraged or approved, in the societies to which they belong' (Townsend, 1979, p.31). In contrast, Amartya Sen (2000) disapproves the income-based notion of poverty⁶⁷; proposing instead that poverty should be seen as the deprivation of "basic capabilities", and that these capabilities should be understood as 'the substantive freedoms he or she enjoys to lead the kind of life he or she has reason to value' (Sen, 2000, p.87).

⁶⁷ Sen also rejects the homologation of "poverty and equality" and the notions of "relative deprivation" and "policy definitions", among other definitions of poverty (Sen, 1983).

Other approaches stress different aspects. Lister (2004), for example, highlights the notion of “othering” in the concept of poverty⁶⁸. Others authors, informed by Sen’s insights, discuss the relationship between poverty and “shame”, emphasising the relevance of the psychological dimensions of poverty; in particular, the personal experiences of people who are in situation of poverty (Walker, 2014; Chase and Walker, 2013). Authors such as Brady (2009) and Misturelli and Heffernan (2010) have reviewed the literature and have argued that poverty is usually seen in either “individualist” or “societal/collective” terms, a distinction that resonates throughout this Thesis. Despite the worth of these approaches, they follow the logic of arguing for one perspective while rejecting the others. Instead, the present research relies on the comprehensive categorisation of social policy expert Paul Spicker, who summarises several “concepts of poverty”.

In particular, Spicker (2007a; b) compiles a number of different meanings of poverty, eleven or twelve depending on the publication considered, which are separated in three families: “material conditions”, “economics circumstances”, and “social position” (see table 1). To these concepts, Spicker adds one meaning which is the corollary for each concept: “Poverty as a Moral Judgement”, poverty is an unacceptable hardship; therefore, ‘to describe people as poor contains the implication that something or other should be done about it’ (Spicker, 2007a, p.238).

Table 2-9 - Paul Spicker - Family Resemblances of Different Concepts of Poverty.

Families	Poverty as a ...	Content	
Material Conditions	Need	Lack of material goods or services which are essential, it comprises Food Poverty, Fuel Poverty among others.	Poverty as a Moral Judgement.
	Pattern of Deprivation	People in need in various ways, including hunger and shelter among others, over a period of time.	
	Limited Resources	Resources are closely related to needs. People lack the resources –income or others– to consume the things that they need. More accurately, the command of resources.	

⁶⁸ See also Krumer-Nevo and Benjamin (2010).

Economic Circumstances	Standard of Living	This approach does not refer to specific deprivation, but to the experiences of living with less than what others have. It goes beyond strict needs, incorporating other goods which allow living at an acceptable level in a particular society.
	Inequality	This concept merges poverty with inequality. It is closely related to some definitions of relative poverty. Poor people are those in disadvantage in comparison to the rest.
	Economic Position	'A "class" of people is a group identified by virtue of their economic position in society' (Spicker, 2007a, p.234). From this perspective, inequality is not related to resources or consumption, but to the social structure of the society.
Social Position	Social Class	This concept is related to Economic Position; however, Social Class stresses socio-economic status, linking class with social and occupational roles.
	Dependency	'Poor people are sometimes taken to be those who receive social benefits in consequence of their lack of means' (Spicker, 2007a, p.235). This is the Simmel's perspective.
	Lack of Basic Security	This concept is related to the idea of being vulnerable to social risks. In the majority of the contexts, it is connected to the command of resources.
	Lack of Entitlement	In this perspective, the lack of resources signifies the lack of entitlement by individuals, and not the absence, in itself, of those resources in a given society. Developed by Sen in his research about famine.
	Exclusion	A dominant concept in the EU; it accentuates the multidimensional nature of poverty. Here, 'Poverty can be seen as a set of social relationships in which people are excluded from participation in the normal pattern of social life' (Spicker, 2007a, p.237).

Based on (Spicker, 2007a, p.240).

Spicker's categorisation is very illustrative of several concepts of poverty, although it is not fully exhaustive. For example, the human rights perspectives on poverty are absent, as their inclusion is not an easy task⁶⁹. Also, Spicker's list is not completely suitable for presenting the ways in which the

⁶⁹ Regarding the rights perspectives and other ethical issues, see Gaisbauer, Schweiger and Sedmak (2016).

causes of poverty have been understood. Thus, in the next subsection, causes of poverty adding to this classification will be presented.

2.1.3 - Causes of poverty

The causes of poverty can be analysed through their underlying logic, or by means of their actual content. Regarding the former, Paul Shaffer (2015a) identified two different ways in which causes of poverty has been understood. First, the “want-based” approach, where the cause is what makes a difference – statistically counterfactual. Here, the ‘causes of poverty consist of the lack or absence of variable which would facilitate income growth and poverty reduction’ (Shaffer, 2015a, p.154). This understanding is the basis of what, in words of Brady (2009, p.5), has been the conventional approach in poverty studies: ‘compare the characteristics of poor people to nonpoor people’. The second way, according to Shaffer (2015a), focuses on production, or the “process-based” analysis of the causes of poverty. This perspective examines impoverishment mechanisms and the contemporary concern on poverty dynamics and vulnerability⁷⁰.

Most of the time, the “want-based” approach is an individualistic perspective of poverty which shows how different poor people are from the rest. This is usually done with data at the individual level, showing the groups in the population that are more at risk of being in poverty (Brady, 2009). Understanding poverty as result of a shortage of human capital has been one of main ways to apply the “want-based” approach. Furthermore, this approach includes the idea that poverty is caused by a lack of motivation towards work, their decision to relies on the welfare provision, and other behaviours attached to poor people (Blank, 2003; Vu, 2010). In a similar vein, but from a less individualistic perspective, there is the idea that poverty is caused by cultural belief systems, a notion that is found in the work of Oscar Lewis (Bradshaw, 2007; Vu, 2010).

In line with the “process-based” approach is the interpretation that poverty is due to economic underdevelopment, absent or malfunction of markets in rural areas, or isolated communities in the developing world (Blank, 2003). Also, the analyses that in full market economies poverty not only affects unemployed people; some working poor people cannot access higher income and wellbeing because ‘the economic system is structured in such as way that poor people fall behind regardless of

⁷⁰ Green and Hulme (2005) make a similar distinction.

how competent they may be' (Bradshaw, 2007, p.16). Examples of this are minimum wages which are not enough for single breadwinners and the existence of primary and secondary labour markets, the primary one for high productivity, the secondary one for low productivity and lower salaries (Blank, 2003; Bradshaw, 2007). Others interpretations stress the presence of social processes outside the markets affecting the distribution of resources, such as discrimination by race or ethnicity, and to a lesser extent, political favouritism and corruption (Blank, 2003; Bradshaw, 2007; Vu, 2010).

Regarding the contents, historian Michael Katz (2013, 2015) argues that poverty has been perceived in six different ways. First, as a problem of "persons", where poverty resulted from the failure of the individual or the family. This perspective 'has dominated the history of poverty for more than two centuries' (Katz, 2015, p.44). The second perspective highlights "place" as in the area where poor people live. This is as a factor that reinforces or increases poverty. The third perspective claims that poverty is due to a "lack of money" and other resources. These three perspectives are discussed throughout the chapter, in the discussion about the concepts of "human capital", "underclass", "targeting" and "co-responsibility".

The fourth perspective is related to "political economy", and questions why poverty actually exists. In brief terms, poverty 'has been produced by capitalist economics serviced by conservative politics' (Katz, 2015, p.56). In this perspective, capitalist modernisation processes left behind certain population segments which are not able to join by themselves. For example, some authors have linked racial disadvantages with internal colonialism in the US. Regarding the "feminisation of poverty", it has been argued that this resulted from the 'long history of patriarchy and gender discrimination' (Katz, 2015, p.60). A final example is the work of Wacquant on urban poverty and neoliberalism. For Katz (2015, p.61), 'the gap between the theory and the implementation [policies] is filled by Power'. The notion of "power" is the fifth perspective explaining poverty, which can be seen in the role played by trade union movements demanding better salaries. This resulted in redistribution and less poverty, or mass protests going in the same direction. The work of David Brady (2009) who, by means of cross-national analyses, highlighted the role played by welfare states in poverty levels, and advocated for a politicisation of the poverty study, might be included in this perspective.

The sixth perspective on the causes of poverty – underscored by Katz (2015) – refers to the role played by the "markets". Starting in the 1980s, market-oriented models have influenced new policies and

modified how poor people are perceived, i.e. by seeing them as rational beings and entrepreneurs. Katz identified four strategies, namely: 1) the 'place-based approaches intended to rebuild markets in inner cities' (Katz, 2015, p.65); 2) microfinance's programmes; 3) asset-building strategies; 4) the CCT programmes, which attempt to incorporate poor people into the market through the cash transfer⁷¹.

2.2 - Human Capital

The main way in which the CCT programmes would overcome poverty in the long term was through the enhancement of "human capital" in children. This concept is not extensively defined in the literature regarding the CCTs, that despite its relevance and the many references. It is only stated that it is specified that it refers to education, health and nutrition (Cecchini and Madariaga, 2011; Cecchini and Martínez, 2012; Fiszbein and Schady, 2009; MIDEPLAN, 2002b; Villatoro, 2008). Its origins can be traced to the work of Schultz and Becker, within the framework of the neoclassic economic school (Dallorso, 2013; Ravallion, 2016). In particular, they rejected the homogeneous character of the work, there are differences in productivity that are expressed by the magnitudes of salaries (Dallorso, 2013). Thus, human capital comprises 'skill and knowledge as well as efforts' (Sen, 1997, p.1959), which are achieved by 'schooling, a computer training course, expenditures on medical care, and lectures on the virtues of punctuality and honesty' (Becker, 2008). It is a form of capital because it 'raise earnings, improve health, or add to a person's good habits over much of his lifetime' (Becker, 2008). The CCTs promote access to education and health for children, 'under the understanding that the accumulation of human capital will allow them to be labour productive and, consequently, to have a high probability of remaining out of poverty throughout their lives' (Cohen and Franco, 2010, p.93). Policies for increasing human capital are not limited to Latin America; for example, they were also central under the New Labour party in Britain (Lister, 2003; Powell, 2000).

In Spiker's (2007a; b) categorisation presented before, human capital is related to the economic concepts of poverty, particularly with poverty regarded as "low standard of living" and a "lack of resources". Regarding the categorisation of the causes of poverty, it is part of the "want-based" approach (Shaffer, 2015a). Moreover, the concept of human capital is informed by the way in which classical and neoclassical economics regarded poverty (Brady, 2003b; Davis and Sanchez-Martinez, 2015; Jung and Smith, 2007). According to Brady (2003b), a liberal economic understanding of poverty

⁷¹ As will be argued throughout this thesis, poor people in the CCTs are neither seen as rational nor as entrepreneurs, proof of that is the use and logic of the conditions.

– in its classical and neoclassical versions – has four theoretical precepts underlying the perspective. First, the idea of a “harmonious progress”, that is, the interests of poor people coincide with societal ones; therefore, economic growth is the best way to tackle poverty. Second, “free market capitalism”, deemed as the best system for economic growth; conversely, generous welfare states are criticised for incentivising dependency. Third, “worker productivity”, as wages depend on productivity: ‘the predominant mechanism utilised to raise productivity has traditionally been human capital’ (Brady, 2003b, p.376). Fourth, “supply and demand”; poverty is a function of unemployment and low wages; and those are linked to the productivity of the worker. That explains why ‘many contemporary economist stress that the first, greatest priority for reducing poverty is to lower the unemployment rate and to foster the employment opportunities of the poor’ (Brady, 2003b, p.379).

2.3 - Underclass

The concept of “underclass” has been one of the most influential in shaping poverty policies since the mid of the 20th century in the US and Britain⁷². It has been heavily criticised over the years, but it has resurfaced again and again with new specificities, as it expresses a powerful and seductive way to see poverty, i.e. a condition that only affects a particular group of people who are manifestly different from the rest. The CCTs are not entirely informed by debates on underclass, but their focus on a specific population –poor or extremely poor– can be illuminated by them.

An appropriate way to discuss “underclass” is to follow the historical stages in which the concept has been developed. Following Macnicol (1987) and Welshman (2013), five significant reconstructions of the concept are relevant for the present study. The first one is the notion of “social residuum”, before the First World War. Then, the “social problem group” in the 1930s, related to eugenics. The third stage is the “problem family”, in the 1950s Britain. The fourth was the “culture of poverty”, developed in the 1960s in the US. The fifth and last stage discussed here is the revival of the underclass in the US during the 1980s and 1990s⁷³.

⁷² As Welshman (2013) states, the first modern use of the term “underclass” was put forward by the economist Gunnar Myrdal, who related it to the unemployment resulted from technological and economic transformations and thus moving away from cultural or behavioural interpretations which have been decisive in the shaping of the underclass concept.

⁷³ Welshman (2013) also refers to the debate on unemployment within the configuration of the British welfare regime in the 1950s, the idea of a “cycle of deprivation” in 1970s Britain, and its use in the New Labour and Coalition government in 2010s Britain. These will not be discussed here because the key issues are already covered, and for Latin America the US policy is more relevant than the British one.

The first stage was the construction of the underclass concept as an “unproductive residuum” between the 1880s and the First World War (Macnicol, 1987). As Welshman (2013) argued, in that conceptualisation resonates the Poor Laws debate, and the distinction between deserving and undeserving poor, and also ‘the Marxist insistence on the existence of the “lumpenproletariat”, and wider fears of criminal classes and dangerous classes’ (Welshman, 2013, p.33). In his analysis, Charles Booth distinguishes between residuum demoralising class and respectable working class. According to Alfred Marshall: ‘those who have been called the Residuum of our large towns have little opportunity for friendship; they know nothing of the decencies and the quiet, and very little even of the unity of family life; and religion often fails to reach them’⁷⁴.

The “social problem group” was the second conceptualisation. From this perspective, underclass was seen as a particular group with hereditary ties. This emerges in Britain, in the context of the rise of medicine, psychiatry and social work as professions and the boom of Mendelian laws of inheritance. Also, an apparent increase in the incidence of the mental deficiency was noticed – mostly due to better registration systems – which was interpreted as the initial insight into the existence of a social problem group (Macnicol, 1987). Under the umbrella of the Eugenics Society, it was tried to prove a hereditary link between physical deficiencies and being a pauper or extremely poor. According to Macnicol (1987), the proponents were unable to separate hereditary from environmental aspects, so they used an arbitrary, administrative criterion to define the group. By the end of 1930, various factors debilitated the eugenics approach and sterilisation as policy was discarded. Thus, ‘the existence of a social problem group was no more proven than it had been 20 years earlier’ (Macnicol, 1987, p.313)⁷⁵.

However, the underclass concept was reconstructed again, replacing the hereditary factor with the socialisation one, giving way to the third conceptualisation: the “problem family”. Here, the key actor is the mother; in fact, for some historians this perspective should be labelled “problem mother” (Welshman, 2013). In the beginning, the focus on families was also related to the Eugenics Society; for them, these families had an ‘intractable ineducability’, and displayed ‘instability or infirmity of character’ (Welshman, 2013, p.83). Later, the concept was taken by health practitioners (the Medical

⁷⁴ Marshall, cited by Welshman (2013, p.30).

⁷⁵ Some of the insights from this second conceptualisation resurfaced in the nineties with the work of Herrnstein and Murray, “The Bell Curve” – a vastly criticised text but at the same time a best-selling book–, in which they argued that the poor have fewer abilities and lower IQs (Bradshaw, 2007; Brady, 2009; Vu, 2010).

Officers of Health) which argued that these families usually had, in their opinion, verminous children, dirty homes, and did not cook properly. Rehabilitation was the key instrument to tackle the issues in these problem families⁷⁶. The main criticism to the “problem family” concept came from the emerging Social Work, which in creating their discipline and space, restricted the role of health practitioners (Welshman, 2013).

The fourth stage in the development of the concept of underclass, now in the US, is the profusely discussed “culture of poverty” by anthropologist Oscar Lewis, based on fieldwork studies on Mexicans and Puerto Ricans between the end of the 1950s and mid-1960s (Harvey and Reed, 1996). For Lewis, the culture of poverty expressed a way of life that was is ‘passed down from generation to generation along family lines’⁷⁷. The cause for it was the capitalist economy, where property is concentrated, the wages are low and unemployment is high. Therefore, social mobility is particularly reduced, and the lower strata face marginality (Katz, 2013). This culture of poverty, according to Lewis, has an adaptive role which serves to ‘cope with feelings of hopelessness and despair which develop from the realization of the impossibility of achieving success in terms of the values and goals of the larger society’⁷⁸. Harvey and Reed (1996) argue that the adaptive mechanism is usually forgotten by the critics of Lewis’ work, and as a result of that, the agency of poor people is neglected because they are seen as passive.

Despite that positive assessment of the adaptive mechanism, the work of Lewis has been under heavy criticism for at least four reasons. First, as a consequence of those economic or structural mechanisms, the poor were seen as completely excluded from society and as having their own culture (Katz, 2013). Regarding them as isolated from society carries the risk of seeing poverty as a problem inherent to them (Altimir, 1979). Moreover, the reproduction of poverty is seen as being intra-family, with parents passing their culture down to their children, granting primacy to the socialization and forgetting the structure (Greenbaum, 2015; Katz, 2013). Second, poor people were seen as ‘very oriented to the present, do not plan or delay gratification, are impulsive and prone to violence, are oversexed, are possessed of little ambition, and had a lot of other basically unflattering characteristics’ (Greenbaum, 2015, pp.21–22). Thus, not only is problematic that very negative description; also, ‘by applying the

⁷⁶ In the view of underclass as a Social Problem Group, sterilisation and segregation were the intervention instruments.

⁷⁷ Lewis, cited by Katz (2013, p.12).

⁷⁸ Lewis, cited by Katz (2013, p.12).

concept of culture to the poor, researchers ignore the significant norms that the poor share with the rest of society.’ (Vu, 2010, p.995). Third, Lewis’s distinguish between “poverty” and “culture of poverty”; the first is related to “economic deprivation”, whilst the second refers to as a “way of life”. With these two concepts ‘he echoed the old distinction between poverty and pauperism’, (Katz, 2013, p.13)⁷⁹; and with that, despite his own intentions, make it easy the ‘appropriation by conservatives in search of a modern academic label for the undeserving poor’ (Katz, 2013, p.14). Finally, it is true that the adaptive mechanism shows the intrinsic agency of poor people. However, as González de la Rocha (2007) has shown, neoliberal policy makers have used that poor agency to design aggressive economic adjustment policies, relying on the “myth of the survival”, that is, the endless capacity of the poor people to work more, consume less and being helped by their families.

The final stage of the underclass concept discussed here is the work of William Julius Wilson, also done the US. His work reconsiders some of the topics and assertions made by Moynihan in the 1960s, mainly about the role of broken families (Greenbaum, 2015), though his main aim was to explain the increasing poverty rates in the inner-cities. His analysis started from a structural analysis, and sought to refute the ideas in “Losing Ground”, the influential work of Murray, who had developed thought experiments to argue that the problems lay in the welfare systems and the culture of poor people, as they preferred to live off the subsidies and not work (Guetzkow, 2010; O’Connor, 2001; Wilson, 2011). For Alice O’Connor, after the behavioural thought in the 1970s and 1980s – represented by Murray –, the ‘structural analysis did enter the poverty debate in the late 1980s, (but) it was, once again, under cover of a concept that applied to a very limited, highly stigmatized segment of the poor’ (2001, p.265), that is, the “urban underclass”. According to O’Connor, Wilson – just like Lewis did two decades before – ‘looked to structural conditions to explain the emergence of a population most people continued to think of in strictly behavioral and cultural terms’ (2001, p.265)⁸⁰.

Following O’Connor’s (2001) description, Wilson argued that three changes explained the emergence of the inner-city underclass. First, the urban deindustrialisation and massive losses in manufacturing jobs. Second, the disappearance of middle-class black residents of the inner-cities, which ‘drained neighborhoods of the organizations, enterprises, and services that had once constituted the “institutional ghetto,” and, especially, the role models that gave the poor a sense of what hard work could bring’ (O’Connor, 2001, p.266). The third change was the ‘The Declining Significance of Race’,

⁷⁹ See also Rose (1990).

⁸⁰ See also Ravallion (2016).

using the title of a previous book by him; consequently, for Wilson were more relevant the race-neutral economic processes in the configuration of the ghetto (O'Connor, 2001). In his analysis, underclass indicates those who were left behind and were collectively different from the former residents of the same neighbourhoods; there were people without training and with long-term unemployment, some involved in street crime, and usually welfare recipients –dependency (Katz, 2013).

Wilson's work has been heavily criticised from different angles. It has been pointed out that his work lacks an understanding of the deep causes of racial discrimination. These causes have their roots in colonialism, aspect that is not mentioned by Wilson. Wilson also neglected feminist interpretations at that time. Even if highlighted the role of the family, he did not mention extended kin relations. Also, he merely used census statistics to state that the number of female-headed household had risen (O'Connor, 2001). Wilson was also criticised by the use of the term "underclass"; he acknowledged this and replaced the term with "ghetto poor", in an attempt to move away from behavioural definitions (Wilson, 2011; Katz, 2013). However, the use of a new term does not solve the problematic issues that the concept in itself carried; the behavioural understanding of poverty persisted because it is rooted in the idea that poverty is a condition that only affects a limited group. The UK debates are illustrative in this respect, as underclass has been labelled "cycle of deprivation" or "troubled families", and the behavioural part is still there (Deacon, 2002; Rose, 1990; Welshman, 2013, 2002).

Macnicol (1987) identified five elements presented in the reconstructions of the "underclass" concept, which are pertinent for the analysis of the CCT programmes. First, he argued that it is essentially an administrative definition of state agencies, which is expressed in the targeting instruments. Second, the idea of intergenerational transmission is critical for the concept, 'otherwise the underclass could simply be those "at the bottom of the pile at any one time"' (Macnicol, 1987, p.315). Third, some behaviours of the underclass people are identified, but others are ignored. Fourth, Macnicol argued that the underclass problem is more related to a resource issue. Finally, the fifth element is the idea that the concept 'tends to be supported by those who wish to constrain the redistributive potential of state welfare and it has thus always been part of a broader conservative view of the aetiology of social problems and their correct solutions' (Macnicol, 1987, p.316).

With respect to the the itinerary discussed before, apart from highlighting the view of poverty as a particular condition, it is necessary to underscore: the idea of residuum (first stage); the view that poverty is spread in the family (second and third); the notion that it carried specific and distinctive behaviours (fourth); and from the fifth stage, the importance of considering the geography of poverty and the idea that the underclass are constituted by those who are left behind by modernization processes. Finally, and related to the different ways to understand poverty, what Lewis and Wilson's analyses tell us, is that the use of structural causes does not entail that those analyses are free from behavioural assumptions, and they could also result in blaming the poor for being poor.

2.4 - Targeting - Deserving/Undeserving

The notion of “targeting” is usually discussed in relation to “universalism”, which is presented as its opposite regarding social policy (Brady and Burroway, 2012; MacGregor, 2014). As van Oorschot states, ‘the idea that targeting in social policy most generally means that policies are directed at someone or something’ (2002, p.173). In this respect, almost all of the social security benefits are targeted to categories of citizens or needy groups. Therefore, the discussion is moved towards assessing how universal or selective are those targeted policies. Despite that, in the case of the social assistance policies and poverty policies, the concept of targeting usually refers to the use of “means test” or other methods to select the beneficiaries. Its origins can be traced back to the Poor Laws in England, in order to select poor individuals who would deserve of support. However, its contemporary use came from the 1980s, when in both the developed and developing world, the balance changed from universalist policies to targeted ones. (Mkandawire, 2005; Ravallion, 2016).

For Ravallion (2016), greater targeting in the 1980s was supported by two different groups: one pushing for a greater impact on poverty with the same resources; another group seeking ‘to cut the total cost of public support for poverty, to reduce its fiscal burden, including the tax burden on the rich; their aim is in large part to help non-poor people’ (2016, p.560). In similar terms, van Oorschot (2002) stated that, 1) it was argued that the means test limited social expenditure, which appealed to right and left; 2) also, it was said that targeting contributed to social equality, which attracted the left, and; 3) the means test focussed the benefits on the “truly needy”, which pleased the right. In addition to those agential interpretations, Mkandawire (2005) argues that in order to explain the use of targeting since the 1980s, the ideological shift towards a more individual responsibility underpinning solidarity and citizenship should be noticed. Also, many aid-dependant countries had exigencies from

donor countries or institutions – the World Bank for instance – which shaped their social policy and foster targeted policies. Finally, there was a switch in the role of social policy in the Third World from the question of “development”, to the narrower focus of “poverty reduction”. Hence, ‘the preference for targeting is thus often a reflection of the residual role assigned to social policy’. (Mkandawire, 2005, p.7).

Broadly speaking, there are two targeting methods mainly used by the Conditional Cash Transfer programmes in Latin America, the “means test” and “community-based targeting”⁸¹. Means test is ‘an administrative method [that] has the function of allocating welfare to claimants on the basis of their financial resources’ (van Oorschot, 2002, p.174). Community-based targeting uses local knowledge to select who is in need, relying on information inaccessible to administrative entities, but carried the risk of being captured by local elites. Usually, what is used is the “proxy means test”, because the actual financial resources of the household are not available to make a direct evaluation; therefore, some indicators are utilised to predict the real income or consumption (Ravallion, 2016).

Regarding the problems with the use of the “means test” in targeting policies, a number of aspects can be discussed. First, these have been advocated as an efficient way to relieve poverty because they keep the budget under control. However, these instruments carry administrative expenses in the identification, monitoring and screening of the applicants (Brady and Burroway, 2012; Mkandawire, 2005; van Oorschot, 2002). Second, it has been argued that these policies could constitute a “poverty trap”, because ‘entitlements to a means-tested benefit or service depend on income, [so] a rise in income can have the effect that the benefit is reduced or withdrawn’ (van Oorschot, 2002, p.176). Third, means test carry the creation of social division between deserving and undeserving beneficiaries, which also could result in political division given the ‘tension between those receiving benefits and those just above them in the income scale’, and also because ‘Services for the poor will be poor services’ (MacGregor, 2014, p.21). The consequence of this could be the stigmatisation of the benefit recipients, labelled as dependent on public support and regarded as unable to provide economic support for their family and themselves (Gugushvili and Hirsch, 2014; Mkandawire, 2005; van Oorschot, 2002).

⁸¹ A few countries in the region have used “category targeting”, that is, their programmes include a segment of the population defined by its characteristics. Examples of those countries are Bolivia, Paraguay and Uruguay. Regarding the targeting mechanisms used by the CCTs in Latin America, (see Cecchini and Madariaga, 2011; Cohen and Franco, 2010; Fiszbein and Schady, 2009).

From a different perspective, some authors have argued that one of the problems with targeting policies is the leakage of non-eligible people attempting to receive them, mainly when benefits are allocated by local authorities (Ravallion, 2016). Firstly, it is acknowledged that completely avoiding this leakage is impossible and even counterproductive. Secondly, the extent of the inaccuracy is often set after the evaluation of the programmes. However, sometimes this kind of analysis relies on different sources of information, one for allocating the benefits – provided by proxy means test – another for the evaluation – usually provided by a survey (Ravallion, 2016). In any case, these issues putting pressure to find the perfect targeting system, in the hope of correctly identifying the deserving poor.

Ultimately, the targeting debate refers to the distinction between deserving and undeserving, which has its origins in the Poor Laws in England. In the late 16th century, in Elizabethan England and Wales, were enacted the now called “Old Poor Law”, ‘each parish in England and Wales was obliged to support its own aged and disabled poor and to ensure that all of its “able-bodied” population was engaging in work’ (Scott, 1994, p.3). Two elements should be emphasised: 1) the distinction between the people able to work and the others; 2) the assumption of availability of work for all who search for it (Scott, 1994). For the first part of the 19th century, this poverty relief system faced at least two problems: first, given its territorial base, it limited the workers’ movement. People who were found away could be arrested as vagrant, and only were supported people who had been born in that parish. In the 19th century, this was contradictory to the reduction of agricultural labour positions and the increase in urban employment (Englander, 1998). Second, given that poverty had increased, the system had important financial deficits; hence, landowners pressed for a change given they financed that through local taxes (Ravallion, 2016; Englander, 1998).

Also, the emerging classical political economy considered that the Old Poor Laws were part of the problem, because they were too generous and paternalistic; there were some ‘undesired behavioral responses to the availability of relief’ (Ravallion, 2016, p.52). That interpretation neglected several issues such as fact that migration to the cities had left the elderly and children in the parish pressing for support, or the influence of bad harvests, or others structural reasons. On the one hand, Ricardo had argued that the cost of those policies could go out of control; on the other hand, Malthus blamed the Old Poor Laws for encouraging early marriage and high fertility. In short, that system incentivised

a moral hazard behaviour and Malthus saw it as a cause for the poverty in a context where, according to him, the subsistence goods increased at a lower rate than the population (Englander, 1998; Ravallion, 2016; Fraser, 1984). The criticism to the old Poor laws and the debate on a new system was in a context mainly characterised by two elements; first, the rising individualistic beliefs, which 'saw each person as responsible for their own actions and their own well-being' (Scott, 1994, p.5); second, the consolidation of the vision that the role of the State should be restricted, allowing the unrestricted operation of the markets (Englander, 1998).

In order to reform that system, between 1832 and 1834 operated a Royal Commission on the Poor Laws. That commission was under the intellectual leadership of Chadwick, former private secretary of Bentham, and did not take the Malthus proposal for a complete dismissal of any poverty relief system; instead, in a more Benthamite fashion, took the option of use the legislation to coerce different interests and encourage good attitudes towards work (Englander, 1998; Fraser, 1984). The New Poor Laws created a system in which the parishes were grouped and headed by a guardian, who was only elected by the ratepayers. In their design, only "indoor" poverty relief was meant to be provided in workhouses, but soon an "outdoor" relief was implemented for the non-able poor (Englander, 1998; Scott, 1994).

Three theoretical issues should be highlighted regarding these New Poor Laws. The first is the underlying understanding of poverty; it 'was a voluntary and therefore reversible condition. The pauper was not so much the victim as the perpetrator of his own distress. Poverty, the commissioners insisted, arose from "fraud, indolence or improvidence"' (Englander, 1998, p.12). That conception not only implied blaming the poor for their situation; also, it implied the existence of paid work for all who searched for it. The second issue is the distinction between "poor" and "pauper", which led to the deserving/underserving trope. Poverty was 'an honourable and economically necessary state, and indigence or pauperism, a condition of dependence, indolence and loss of individual self reliance' (Rose, 1990, p.1). The poor were the 'self-sustaining labouring classes', whilst relief was only for the pauper, which was divided into two categories: (1) 'the impotent – i.e. the sick, the aged and widows with small children – and (2) the able-bodied, i.e. unemployed and underemployed men' (Englander, 1998, p.11). For the impotent, the relief provided was the same, even "outdoors"; the change was for the "able-bodied" claimants, as they could only receive relief in the workhouses. This leads us to the third theoretical issue to be discussed, the principle of "less eligibility"; under the utilitarian belief that people are rational and motivated by material and mental rewards. The principle sought to ensure

appropriate motivation, so ‘poor relief was to be made available under conditions that were inferior to –less eligible than– those of the lowest-paid wage labourer. The basic idea was that benefits should be lower than wages: relief should not be so generous as to remove the incentive to work’ (Scott, 1994, p.7). In the end, as Scott (1994) argues, the less eligibility principle was more effective through the stigma produced by the “pauper” label than through the economic calculus regarding the salaries.

The use of targeting nowadays reflects the long legacy of the Poor Laws in England and Wales, and the distinction between the deserving and the undeserving poor. Some of the terms have changed, and usually its inclusion in a poverty relief programme is related to the resources available in the household, rather than to being able or not for work. However, as Watkins-Hayes and Kovalsky (2016) show, deservingness is still a key variable in many contemporary programmes. In particular, the deservingness of the mothers plays a major role in the poverty relief programmes of many countries (Brady and Burroway, 2012).

2.5 - Co-Responsibility - Deserving/Undeserving

Regarding the use of conditions in the CCT programmes, Fiszbein and Schady (2009) state that they can be justified by the “microfoundations of paternalism” – to be discussed in section seven in this chapter – and by the “political economy” argument. This argument refers to the idea that transferring cash to poor people – and the resultant public spending – can have more public support when the recipients are asked to display good behaviours in exchange (Das, Do and Ozler, 2005; Fiszbein and Schady, 2009; Handa and Davis, 2006). This is an appeal to the co-responsibility of the poor; in fact, some authors replace “conditions” with “co-responsibility” when they describe these programmes (Cecchini and Madariaga, 2011; Cecchini and Martínez, 2012; Cohen and Franco, 2006). This appeal to co-responsibility leads to two very influential concepts for poverty policies; the “deserving poor” and “dependence”.

2.5.1 - Deserving/Undeserving - Dependence

The idea of the “undeserving poor” ‘represents the enduring attempt to classify poor people by merit’ (Katz, 2013, p.1). As it was shown in the previous section, the origins of targeting can be traced back to the identification of those who were entitled to receive public support given their situation. In short, the merit was being in need and not being able to work. However, the idea of being deserving of public

support exceeds that identification moment; it also encompasses the experience of being poor, in particular distinguishing between the good and bad poor in terms of their behaviours. This was included in Malthus' criticism to the moral hazard created by the Old Poor Laws, because poor people behave improperly when they access the relief system.

Wim van Oorschot (2000) examined the literature on the public opinion on welfare, particularly regarding the use of conditionality. He identified five dimensions under which people could be more prone to see a group as deserving; those dimensions are worth exploring, even if the present study does not focus on public opinion. The first dimension is "control", which is related to the responsibility that individuals have for their own situation; people who have less control are seen as more deserving. The second dimension is "need"; greater need results in being regarded as more deserving. The third dimension is identity; 'the identity of the poor, i.e. their proximity to the rich or their "pleasantness"; the closer to "us", the more deserving' (van Oorschot, 2000, p.36). The fourth dimension is "attitude towards support", related to the docility or gratefulness of poor people, and to the fact that the more compliant they are, the more deserving they become. The final dimension is "reciprocity", 'the degree of reciprocation by the poor, or having earned support: the more reciprocation, the more deserving' (van Oorschot, 2000, p.36).

The first two dimensions, "control" and "need", are closely related with what was previously discussed regarding the identification of the poor; poor people "deserve" public support because their situation is beyond their control. These situations include disabilities, advanced age, and having others under their care – such as single parenting. On the contrary, those who are able to work are not regarded as deserving of public support. "Need" refers to the hardship being experienced by the poor, which in contemporary social policy is usually assessed by the means test.

The third dimension, "identity", goes beyond the search for the authentic and the false poor. It refers to the sense of proximity with the poor. As van Oorschot (2000, p.35) states, 'the deserving are those poor who belong to "us"'. This could lead to a discussion on citizenship in terms of who is regarded as belonging to society (Dwyer and Wright, 2014; Scott, 1994). However, the crucial element which has been involved in this dimension is racism, particularly in the US debate. Since the Moynihan Report in the 1960s, some literature has considered that black people have undeserving behaviours in the US.

Particularly, some have argued that family break-ups and some matriarchal tendencies have resulted in the joblessness of African-American people (Greenbaum, 2015; Katz, 2013).

The fourth dimension, “attitude”, is related to what is expected from the poor to be assisted; this is directly linked to dependency, i.e. the old idea that, given the existence of poverty relief policies, individuals choose to live off that system and not provide for themselves. Malthus presented this influential argument in the 19th century, which was accurately labelled the “perversity thesis” by Hirschman (1991). Somers and Block (2005) showed that after 200 years the same Malthusian arguments were being revisited in the 1990s regarding the US welfare system reform. In both cases, the conditions of the poor were due to the eroding effects of the welfare system, and any structural reason was dismissed.

Since the 1980s in the US, welfare dependency has been regarded as one of the most significant problems to be faced by welfare regimes (Katz, 2013; Santiago, 2015). In this respect, the work of Charles Murray in the 1980s has been particularly relevant. He argued that welfare has encouraged people to avoid work and rely on the poverty relief system (Bradshaw, 2007; Krumer-Nevo and Benjamin, 2010; Welshman, 2013). It is not surprising that, in line with Malthus, Murray proposes the end of welfare as a solution (Lødemel and Trickey, 2000; Somers and Block, 2005). Lawrence Mead also claimed that welfare dependency was a fundamental problem because it reproduces poverty (Dwyer, 2004; Katz, 2013). However, Mead stressed the lack of confidence of poor people, as ‘people do not accept responsibility for themselves (... that is) rooted in personal experiences of failure, so that the principal obstacle to entry into the labour market is defeatism rather than rational choice or a lack of moral fibre’ (Lødemel and Trickey, 2000, p.20).

This concern regarding dependency is not only present in the US. In Britain, the Coalition government since 2010 have operated under the idea of a relationship between worklessness and welfare dependency (Dwyer and Wright, 2014; Wiggan, 2012). Policy changes have been justified by the existence of an alleged “Intergenerational cultures of worklessness”. This is a “zombie argument” because it lacks evidence; however, it re-emerges again and again (Macdonald, Shildrick and Furlong, 2014)⁸². With the idea of welfare dependency, poor people have been deemed responsible for their

⁸² The authors retake the metaphor developed by Spiker (2007b).

situation; in some cases they have been blamed for it, which resulted in some welfare recipients try to separate themselves from the others, i.e. the truly undeserving ones (Shildrick and MacDonald, 2013). All of these has been invigorated by the media (Jensen and Tyler, 2015).

The fifth dimension of deservingness identified by Van Oorschot is “reciprocity”, which is directly related to “co-responsibility”; people who do something are considered as more deserving. This can be seen in the use of conditionalities in the CCT programmes⁸³ and also in policies requiring beneficiaries to have to be ‘actively looking for a job, or willingness to participate in a re-insertion programme’ (van Oorschot, 2000, p.36). In Europe, labour activation policies are a good example of this, because claimants must be actively looking for a job, or must participate in training programmes designed to enhance their skills (Barbier and Ludwig-Mayerhofer, 2004; Bonvin, 2008; Moreira and Lødemel, 2014). These types of policies assume that the claimant is passive by default and that due to these interventions, they will be transformed into active individuals who dynamically look for ways to increase the wellbeing of their families (Wright, 2012, 2016).

2.5.2 - Signification of deservingness

The distinction between the “deserving” and “undeserving” poor is still widely present. To some extent, this is because ‘In the realm of the policymaking, the deservingness framework simplifies decisions about the distribution of resources in the face of complicated realities’ (Watkins-Hayes and Kovalsky, 2016, pp.212–213). It is also because, according to Gans (1995), this trope is functional to certain groups in the society. On the one hand, ‘the undeserving poor constitute a perceived threat to the better-off classes’ (Gans, 1995, p.75) because they are deemed as morally deviant – due to their welfare dependency and others reprehensible behaviours – and because of their association with crime. Their immorality and laziness and ‘what may energize feelings of undeservingness above all is the perceived insolence of the poor in behaving as they do while being supported by public funds’ (Gans, 1995, p.90). Consequently, these perceived threats keep poverty as a problem inherently linked to the poor. On the other hand, Gans (1995) argues that undeservingness also carries a series of positive functions for the more fortunate in society, such as offering a scapegoat for some threats and providing a moral legitimization for their own privileged position.

⁸³ See the sub-section No. 7 in the present chapter.

The deserving/undeserving distinction, either for identifying the truly poor from the false one, or for separating the good poor from the bad poor; is a key element to blame the poor for their situation (Greenbaum, 2015; Wright, 1993), and is presented in some concepts of underclass (Welshman, 2013). Also, the search for the deserving poor and the use of targeting has been reinforced by the withdrawal of the state from the welfare provision. As Mkandawire states: ‘the case for targeting goes something like this: In face of limited fiscal resources, it is better to target the resources to the “deserving poor”’ (2005, p.2). Similar accounts can be found regarding changes in the British welfare system (Welshman, 2013; Wiggan, 2012) and the more liberal policies in Latin America (Barba, 2004; Filgueira and Filgueira, 2002).

2.6 - Poverty and Psychology

Psychological views on poverty are abundant in topics and approaches. Following the survey done by Fell and Hewstone (2015), this discipline has focussed on four areas. First, “social processes”, which covers the thoughts, feelings and behaviours towards poor people and the ones held by poor people themselves⁸⁴. Second, “mental health”, which comprises research related to schizophrenia, mood disorders and alcohol/drug abuse in the poor population. Third, “genes and environment”, which derives from biological explanations of poverty, such as the attempt to prove that poverty is explained by a lower level of intelligence. That strand has been vigorously criticised (Turner and Lehning, 2007), and it is part of the research on poverty that “blames the victim” for their circumstances (Vu, 2010). However, recent research on genes among low-income people by means of new techniques is showing some physiological effects in children exposed to poverty, which become noticeable in their adulthood. These research studies demonstrate the relevance of interventions in social environment to prevent lasting effects of poverty (Fell and Hewstone, 2015). The fourth psychology-related area focussing on poverty is “brain and cognition”, which took the IQ tests – or similar tests – not from a hereditary perspective, but from assessing the effects of deprivation on cognitive skills (Turner and Lehning, 2007). In this respect, the “resource scarcity” hypothesis emerged, which states that given the deprivation, people focus on urgent needs and leave aside long-term goals (Fell and Hewstone, 2015).

Some of these psychology-related areas are relevant to the Psychosocial Support of the Chilean CCT programmes. In particular, studies on mental health disorders and the resource scarcity hypothesis

⁸⁴ In this strand Walker’s (2014) approach regarding “poverty” and “shame” can be allocated.

could give some interpretative elements for the analysis of Psychosocial Support. In the next section, another strand of psychological thought playing a role in the CCTs will be discussed, namely, behavioural economics.

Regarding psychological disorders, empirical studies have shown the higher prevalence of schizophrenia, mood disorders and alcohol/drug abuse among poor people, and researchers have not concluded whether these disorders are the cause of poverty or they are a consequence of it (Fell and Hewstone, 2015; Turner and Lehning, 2007). Mood disorders refer to depression and other conditions affecting the mood of individuals; anxiety disorders include generalised anxiety, post-traumatic stress and phobias. Research with low-income individuals has identified stress as the main trigger of depression and anxiety, as ‘the conditions of poverty produce intolerable amounts of stress, which can lead to mental illness’ (Turner and Lehning, 2007, p.62). Research has shown that long-term exposition to stressors is particularly damaging; thus, an alternative policy could involve social support, particularly among peers. However, given the small networks of poor people – mainly their neighbours – this social support could lead to stress contagion (Fell and Hewstone, 2015).

One interesting development has been the “resource scarcity” hypothesis, which links poverty with different mood disorders. More importantly, it emerges as an explanation of the reproduction of poverty. This approach helps to explain why many low-income people have behaviours that could be qualified as self-damaging in the long-term, such as borrowing at high rates, not saving or not following health recommendations⁸⁵. This hypothesis has two main assertions: first, ‘when resources are limited, people tend to focus intensely upon resolving the immediate problem’ (Fell and Hewstone, 2015, p.30), such as food or other basic needs. This results in the use of the majority of their cognitive resources to deal with those pressing tasks. Second, ‘the increased focus on immediate resource-replenishment leads to a “tunnel-vision” effect, which may be responsible for several detrimental aspects of poverty-related behaviour’ (Fell and Hewstone, 2015, p.30).

Following what has been discussed in previous sections, focussing on poor people’s behaviours carried the danger of “blaming the poor” for their own situation and pathologising poverty. Considering the several stages of the underclass concept, described before, and some assumptions related to the co-

⁸⁵ Behavioural economics – in the next section– will deal with the same type of behaviour.

responsibility of the poor; these approaches from psychology are clear examples of the thin line between the description of the situation of the people in poverty and making individuals responsible for their conditions. Regarding psychological disorders, their higher prevalence could seem unquestionable; however, causal directions between poverty and those disorders remain unclear (Lepièce et al., 2015). Furthermore, there could be some structural aspects explaining why some low-income people borrow money or do not follow health advice.

2.7 - Conditionalities / Microfoundations of Paternalism

One of the critical features of the CCT programmes is the attempt to promote valuable behaviours using cash transfer and conditionalities. As has been stated, the theoretical support lies in the so-called “microfoundations of paternalism” (Fiszbein and Schady, 2009), which state that agents do not always behave rationally and in their best interests, particularly regarding poverty. This results in sub-investment in human capital for poor families. Therefore, governments may “know better” what is best for poor people. In what follows, the theoretical foundation of that paternalism, i.e. “behavioural economics” will be briefly discussed. Then, the specific aspects applied to the CCT programmes will be presented. As a final part in this section, a number of criticisms to this approach will be discussed.

2.7.1 - Behavioural Economics

Behavioural economics is a sub-field of economics that combines psychology and economics; it addresses and criticises the standard model of the agent in economics, particularly in the neo-classical version, the so-called “homo-economicus” (Mullainathan and Thaler, 2000). This agent, according to the theory, is ‘rational, selfish, and his tastes do not change’ (Kahneman, 2012, p.269). Therefore, those agents are able to assess all the options and choose correctly; given their selfishness, they are not affected by emotions or traditions, and they always maximise their utility (Mullainathan and Thaler, 2000). From the field of applied psychology, authors such as Kahneman and Tversky with their Prospect Theory question those statements, and suggest that the mind has two systems, number 1 which is automatic and effortless, and number 2 which is rational and effortful, or “fast” and “slow systems”. The interaction between both systems creates many biases that cast doubts on the reality of that “economic man” (Kahneman, 2012).

Research in behavioural economics identifies three human nature's bounds which contradict the hypothesis of the economic man. The first is "bounded rationality", which shows that the 'ways in which judgment diverges from rationality is long and extensive. Some illustrative examples include overconfidence, optimism, anchoring, extrapolation, and making judgments of frequency or likelihood based on salience or similarity' (Mullainathan and Thaler, 2000, p.3). The second bound questions the willpower of the agents in choosing the optimum. People procrastinate and sometimes do things that are against their best interests; they spend more money than they should, they do not save enough, they do not invest in human capital, and so on. The third bound is related to selfishness; people perform actions that are not in their self-interest only, as they cooperate with others (Mullainathan and Thaler, 2000).

Richard Thaler, a key figure in behavioural economics, distinguished between "econs" and "humans"; the former are fully rational agents expected by standard economic thought; the latter are real people with all their biases and shortcuts (Kahneman, 2012; Leggett, 2014). Thus, regarding wellbeing, "humans" cannot be left alone in their decisions, because some of them will not choose correctly or will not have the willpower to pursue the optimum. Therefore, they should be "nudged" to improve their decisions, but should not be forced. Thaler and Sunstein labelled this "libertarian paternalism", as it represents a third perspective, half-way between statism and laissez-faire neoliberalism (Hausman and Welch, 2010; Leggett, 2014).

Along the "humans", "choice architecture" is the context in which the people make decisions, and this architecture is susceptible to be arranged to nudge some choices over others. According to Leggett (2014), the mechanism of nudging can be seen in three areas. First, using the "defaults", given that humans avoid difficult and tedious decisions – they tend to use only the system 1 –, this mechanism set the preferred option as default, ensuring that more people would choose that. Second, using "cooling-off" periods to avoid impulsive decisions, allowing time for a reflexive evaluation of the alternatives with system 2. Third, behavioural economics acknowledges the relevance of "social norms"; therefore, it attempts to reinforcing some of them or incentivising different ones.

The impact of this approach can be seen in the UK, particularly in the use of conditions by the Coalition Government in order to incentivise certain expected behaviours in the recipients of public benefits (Standing, 2011; Dwyer and Wright, 2014; Jones, Pykett and Whitehead, 2013; Leggett, 2014).

Recently, the WB in its World Development Report 2015 (Shaffer, 2015b) has globally embraced the use of behavioural economics as a framework to induce behaviours among the poor population. In that WB's report, some issues developed and implemented by the CCTs programmes were reinterpreted.

2.7.2 - Microfoundations of Paternalism in CCT Programmes

Regarding poverty, it is seen that behavioural economics overcomes two perspectives: 1) the rational poor who adapts to the circumstances; 2) the poor involved in the culture of poverty; 'the behavioural patterns of the poor, we argue, may be neither perfectly calculating nor especially deviant' (Bertrand, Mullainathan and Shafir, 2004, p.419). The CCTs are informed by behavioural economics when it is argued that agents do not always behave in their best interest regarding human capital. Therefore, governments could encourage a major accumulation of human capital in families, which constitutes a moral obligation for the governments. Furthermore, even if the levels of human capital could be privately optimal, those could not be socially efficient due to market failures, and governments have to act accordingly. (Fiszbein and Schady, 2009).

It has been argued that the CCTs encourage their beneficiaries to adopt societal preferences by inducing changes in their behaviour. For instance, concerning child labour, the CCTs encourage children to stay in school, providing a cash transfer that alleviates the cost of not receiving the income that a child's job would provide to the family (Barba and Valencia Lomelí, 2011; Das, Do and Ozler, 2005; Ravallion, 2016). Second, it is argued that people violate the economist's concept of rationality when families do not appropriately invest in human capital. Therefore, these programmes incentivise the use of health and education services (Bastagli, 2008; Cohen and Franco, 2010; Das, Do and Ozler, 2005; Standing, 2011; Villatoro, 2012).

Some authors have argued for an even deeper use of the conditions and cash transfer to induce behaviours. Thus, some have seen the conditions as a mechanism to select beneficiaries, which suggests that for some families 'the condition (is) too expensive compared with the program's rewards' (Das, Do and Ozler, 2005, p.69); proposing that governments should calculate that amount to make the programmes more efficient. Furthermore, it has been claimed that the CCTs are not completely efficient because these programmes are rewarding activities that people would perform

regardless of the presence of an incentive (Das, Do and Ozler, 2005). For example, de Janvry and Sadoulet (2006, 2004) used data from the Mexican CCT to show ways in which the programme could be more efficient – “optimal model” – if it had a better targetting system and the amount of the transfer were adjusted to maximising its impact. The aim would be to concentrate the intervention only on families who would send children to school if a cash transfer is provided.

2.7.3 - Critiques to Nudge Economics

The attempt to nudge certain behaviours in the recipients of State support is not new; it can be found in the distinction between deserving and undeserving poor in 19th century Britain, and since then it has been re-elaborated many times. The contemporary use has at least two sources; first, what was discussed about behavioural economics; second, the idea that recipients are passive and have become dependent on State support (Wright, 2016). In broader terms, as Clasen and Clegg (2007) affirm, conditions can be seen in three levels. First, when is demarcated who is entitled given that they belong to a particular “category”, such as being older or having a disability. Second, when are delimited the “circumstances”, for example, to access to a pension the condition is to have worked before. The third level is related to a conditioning of the “conduct”, which is ‘logically subsequent to the others, intervening only after eligibility for benefit has been otherwise established, and having the function of regulating the “ongoing” benefit receipt’ (Clasen and Clegg, 2007, p.174). The use of conditions regarding conduct can be seen as part of the change in some welfare states in Europe, where the individual has more responsibility in the provision of welfare (Clasen and Clegg, 2007).

In terms of the subject’s notion, the idea of nudge not only implied that people were “humans” and not “econs”; additionally, it carried the view that ‘welfare subjects as naturally inactive and in need of activation – either because of their perceived incompetence or immorality’ (Wright, 2016, p.236). Therefore, promoting autonomy among welfare subjects is justified. However, as Bothfeld and Betzelt (2013) have shown, activation policies in Europe have not enhanced autonomy; in fact, they have resulted in a re-commodification of labour markets, eroding the working status and, since these are top-down policies, they have become counter-participatory policies. In particular, regarding the “libertarian paternalism” of Thaler and Sunstein, it carries the risk of ‘exploiting decision-making foibles will ultimately diminish people’s autonomous decision-making capacities’ (Hausman and Welch, 2010, p.135). Furthermore, the conditions of social citizenship and the right of the people to

receive assistance are questioned (Dwyer and Wright, 2014; Standing, 2011). This issue has also been noticed in the CCTs in Latin America (Cohen and Franco, 2010; UN, 2009).

From the study of governmentalities, behavioural economics and the attempt to nudge certain behaviours also has been criticised due to the use of invasive technologies through the employment of “Psy sciences” (Jones, Pykett and Whitehead, 2013; Leggett, 2014). For public powers, the interior lives of citizens, or souls, are regarded ‘as a legitimate object to rule’. Thus, these experts of the soul ‘encourage us (citizens) to reflect on our weaknesses, as well as providing us with suitable advice on the choices that we can make to improve ourselves’ (Jones, Pykett and Whitehead, 2013, p.162). As Jones and its colleagues (2013) have shown regarding the UK government, not only they have used behavioural economics in the Thaler fashion; they have also used neuroscience and more traditional psychological approaches. On the one hand, the use of these psychological instruments for controlling the individual is problematic, particularly with the most deprived ones. On the other hand, ‘the increasing use of insights from the “psy” sciences bypass any kind of policy or political debate’ (Jones, Pykett and Whitehead, 2013, p.172). Leggett (2014) drew from Foucauldian analysis, to also denounce the risk of depoliticisation that behavioural economics conveys. However, according to him, the Foucauldian framework ‘is simultaneously limited by its deconstructive concern with techniques and expertise. This prevents Foucauldians from identifying a positive role for the state’ (Leggett, 2014, p.17). Therefore, it is necessary to explore other approaches that could place behaviour change at the centre of the political arena and use nudging along with political thinking.

Chapter's Conclusion

In this chapter, several approaches conceptualising poverty have been briefly discussed. The literature on poverty is vast, so the debates that are closely related to the two poverty-tackling policies under scrutiny have been examined. Furthermore, the concepts and ideas that have been discussed can only illustrate the main trends and disputes in this respect, about each of these a thesis could be written. Given the focus on the two Chilean CCTs, several important topics were only enunciated here, and that just to show other ways which were neglected by the policy makers. It must be noted that the entire debate on the definitions and measurement of poverty has not been examined here because both programmes were designed under the same definition and measure of poverty, whose main characteristics are captured by some of the concepts identified by Spicker (2007a; b).

Chapter 3 – Theoretical and Methodological Framework

Chapter's Introduction

The present study argues for the importance of the concepts of poverty which policy makers had in mind when they designed Solidarity Chile (SCH) and Etical Family Income (EFI). Therefore, this research requires a theoretical approach that is able to embrace the role of the ideas, incorporating important elements of the policy analysis, and most importantly, allowing the examination of the context in which these policies were designed, which sets the boundaries for the intervention.

In the first part of this chapter the theoretical framework is going to be discussed, starting with a brief description of the several ways in which the Conditional Cash Transfer (CCT) Programmes have been analysed; then it is argued that the concepts of poverty have not been sufficiently considered by these studies on CCTs. Next, the New Institutionalism perspective is presented; and through the analysis of its limitations, is presenting the key elements of the Cultural Political Economy (CPE) developed by Jessop and Sum. Then, the main statements of the CPE are presented, which refers to the relationship between the semiotic and extra-semiotic processes, the three “Evolutionary Mechanisms” – Variation, Selection and Retention – and the “Four Selectivities”, which are the analytical tools in this approach. In the final part of the theoretical framework, the notions of “crisis” and “Economic Imaginaries” / “Poverty Imaginaries” are discussed, in order to circumscribe this approach to the analysis of specific public policies. Finally, the logic behind the empirical Chapters (Four to Seven) from the interplay between the “Evolutionary Mechanisms”, “Selectivities” and “Poverty Imaginaries” is addressed.

In the second part of this chapter, the Methodological Framework of this research is presented. Here, it is concisely discussed the research approach; then the main aspects of the qualitative method applied are explained. These aspects include what is understood by elite’ interviews, the type of sample and the categories that were used to select the persons interviewed, the topic guide used in the interviews, the way in which the data analysis was performed and others practical issues.

3.1 – Theoretical Framework

3.1.1- Analyses of the Conditional Cash Transfers

The design of SCH has been examined from different perspectives, given that EFI is more recent, fewer reports have been done about it. In a very brief, schematic overview, CCTs in the region and in Chile have been analysed from six perspectives, each of these overlaps with the others and although they are not necessarily contradictory, they are analytically distinguishable given their focus and topics emphasised. The first perspective stressed the internal policy processes in the Chilean government, processes that are interpreted as a reaction to the poverty trends and political decisions, based on available diagnoses. For example, Ruz and Palma (2005) and Frenz (2007) analyse the origin of SCH, the role of the Planning Ministry and the Budget Office, the policy maker groups and the key diagnosis supporting the design of the programme. In a similar vein, Martínez Franzoni and Voorend (2011) highlight the role of local policy makers and the greater role of the political party elites; similarly, Puentes assesses poverty policies in Chile, and demonstrates how ‘the policy-making process is monopolised by the government’ (2009, p.370). All of these studies underline the decisive role of President Lagos in the creation of SCH. With respect to EFI, Larrañaga, Contreras and Cabezas (2015a) show the rationale behind this programme, in particular, the shortcomings of SCH in relation to labour insertion.

The second set of studies focus on the transfer or translation of the CCT model in Latin America, stressing the role of the WB and other multilateral organizations and the creation of epistemic communities connected to the CCT programmes. For instance, Sugiyama (2011) states that the CCTs were regarded as the norm by the international development community in Latin America, though she recognises that ‘only Chile and Bolivia have designed programs that target beneficiary populations differently and debates over the specific features of these programs’ (2011, p.264). Teichman (2007) showed the importance of WB advisors in bolstering the position of the policy makers in the Budget Office in Chile, even though ‘the World Bank has no leverage in Chile, given that country’s access to private capital markets’ (2007, p.565). Osorio (2014a) also identifies the presence of a policy diffusion process regarding CCTs in Latin America, which took place due to the role played by an epistemic community, because they considered CCTs as the best alternative. According to Osorio, the higher institutional capacity of Chile allowed for the diffusion mechanism to be “learning”, instead of “emulation” or “coercion” as was the case in other countries. Finally, Peck and Theodore (2015) qualified the CCTs as a prime example of “fast-travelling” policies, backed by international

organisations and regarded as interventions “that work”, which in this particular case was due to the promotion of positive results obtained by the Mexican CCT in the evaluation using randomised-control trials. These authors underscore that SCH is an example of a specific type of CCT, which was considered by the WB as a second-best alternative that comes after the Mexican one which has strong conditionality, but before the Brazilian programme due to its lax use of the conditions (Peck and Theodore, 2015).

These studies have shown that SCH was part of a regional trend that must be acknowledged, particularly regarding the use of cash transfer and conditions. However, these investigations also demonstrated the relevance of the internal policy process; for example, the divergence in the diagnostic between some branches of the Chilean Government. Besides, an aspect where SCH was clearly innovative was the introduction of Psychosocial Support for the families as an integral part of the programme. According to Cecchini and Madariaga’s (2011) survey addressing the CCT programmes in the region, only three countries have a type of psychosocial support⁸⁶, and Chile was the only country where that support went beyond the engagement of the families with public benefits. The extensive use of psychosocial support is also one of the defining features of the EFI programme (Cecchini, Robles and Vargas, 2012; Arellano, 2013).

A third way in which these programmes have been analysed is the evaluation of its results. From the WB, Fiszbein and Schady (2009) have presented a relatively optimistic picture of the impact of these programmes in the region. In the case of SCH, Galasso and Carneiro (2007) – also from the WB – evaluated the programme under a positive light. Larrañaga, Contreras and Ruiz-Tagle (2009) arrived at more critical conclusions regarding the programme. From a qualitative perspective, Trucco and Nun (2008) emphasised the relevance of Psychosocial Support; Dagmar Raczynski (2008) cast doubts about SCH’s results. Regarding the CCT strategy, others authors also identified limitations; thus, these programmes ‘appear to have little or no effect on performance in school, on the amount learned in school, or on cognitive development generally’ (Valencia Lomelí, 2008, p.491). Villatoro (2012) also highlights the limited results of the intervention regarding education because the region already has high rates of school enrolment. Moreover, the possibility of a long-term increase in future salaries for people with two or three years more of formal education is debatable. Furthermore, CCTs have created tension within communities among the families that are selected and the ones that are not

⁸⁶ The other two are Colombia and Trinidad and Tobago.

(Valencia Lomelí, 2008; Villatoro, 2012). With respect to EFI in particular, Henoch and Troncoso (2013) found positive effects of the programme in its first stage regarding women's labour inclusion. Also reporting on the first stage of the programme, Cabezas and Acero (2012) found positive results in poverty reduction, but 'The effects on labor participation indicate that the social bonus has a negative impact on the work hours offered' (Cabezas and Acero, 2012, p.84). Moreover, Fernández (2013) questions the effectiveness of the training programmes offered by EFI in certain territorial contexts, such as rural areas or low-income boroughs.

A fourth perspective of analyses of the CCTs programmes derives from the "Power Resources Theory", this approach primarily examines the configuration of the welfare arrangements through the analysis of the distribution of power between organized groups of workers and capitalist in the context of western democracies (Korpi, 1998; van den Berg and Janosky, 2005)⁸⁷. Under this umbrella, for Latin America Huber and Stephens (2012) apply their own approach, called "power constellation framework", which stresses not only the role of the internal forces, but also the international context, the role of political parties and the relevance of the democratic system. They conclude that the democratic system has been the most important force in the increments of the public expenditure and poverty reduction.

A fifth collection of studies about the CCTs could coalesce under the umbrella of governmentalities. This approach, based on Foucault's works, interrogates the activity of conducting individuals throughout their lives for an authority which guide them. In particular, the approach examines the 'techniques and procedures for directing human behavior' (Rose, O'Malley and Valverde, 2006, p.83). Regarding the CCTs, the focus has been put in the way these programmes contribute to neoliberal governance by framing poor population and shaping their conduct, which could be regarded as neoliberal, given the use of cash transfer and conditionalities (Ballard, 2013; Hickey, 2010). In the case of SCH, Rojas (2010) critically analysed the programme and regarded it as a device to control and govern behaviours. She identified three concrete forms of governing behaviour in the programme, particularly through the use of Psychosocial Support: 1) "Ruling through affections", with the counsellor utilising sentimental arguments to mobilise families, 2) "Ruling through norms", with the

⁸⁷ Others approaches which derive from the "power resources theory" are the researchers of Esping-Andersen (1990) and Brady (2009).

counsellor transmitting categories such as good or bad, and desirable or undesirable, and 3) “Ruling through rewards and conditions”, the core aspect of SCH as a CCT programme (Rojas, 2010).

According to Ballard, the CCTs are ‘a form of governmentality which enables authorities to try to shape the conduct of diverse actors without shattering their formally autonomous character’ (Ballard, 2013, p.815). This description is the basis of the programmes, along with their identification with neoliberal governance (Hickey, 2010; Garmany, 2016). However, the debate revolves around the extent to which the adjective “neoliberal” expresses the characteristics of these programmes. Ferguson (2010), analysing poverty policies although not specifically the CCTs, criticises the extensive and fuzzy use of the concept of neoliberalism, arguing that ‘specific governmental devices and modes of reasoning that we have become used to associating with a very particular (and conservative) political agenda (“neoliberalism”) may be in the process of being peeled away from that agenda, and put to very different uses’ (Ferguson, 2010, p.182). Following Ferguson’s conclusions, Garmany (2016) analysed the Brazilian CCT, demonstrating the geographic effects of the programme; he also acknowledged that the programme had the clear aim of building a neoliberal governance. Nevertheless, ‘CCT program administration and the actions of State actors themselves can undermine critical networks of pastoral governance; and in the case of neoliberalism, ideologies of individualism, economic security, consumerism, and market formalization remain incomplete due to the ways CCT recipients make use of programme benefits’ (Garmany, 2016, p.69). He arrives at a similar conclusion in another study addressing how poor people negotiate the fulfilment of the conditionalities (Garmany, 2017). Hickey (2010) also examined these programmes from a governmentality perspective and found some citizenship formation potential in the CCTs programmes.

The sixth way to examine the CCT programmes highlights gender issues. These programmes have been praised because they contribute to empowering women; the stipends almost by the operative rule are transferred to women in the family. However, this praise has been challenged because there is no convincing evidence supporting it (Arriagada and Mathivet, 2007; CEPAL-DAG, 2013; Molyneux, 2007). On the contrary, these programmes have been criticised for maintaining gender roles and encouraging a conservative vision of women by conceptualising them as mothers. In particular, ‘CCTs give mothers a central role in their design; as stipendiaries, they are responsible for fulfilling the demands of the programme through a quasi-contractual arrangement’ (Molyneux, 2007, p.70). In addition, given that they become responsible for the fulfilment of the conditionalities, the mothers are instruments for the family’s well-being, ‘[the programme’s] objective is not the development of women to overcome

poverty, but the development of the whole family [...] The woman is considered in her motherhood as the best positioned person to teach her children ways of improvement and thus break the poverty circle' (Arriagada and Mathivet, 2007, p.30). That has resulted in greater use of time in non-paid work among women participants of the CCTs, than its peers which do not participate (CEPAL-DAG, 2013). Addressing SCH, Tabbush (2010) identifies three issues: 1) Conditions of health and education dimensions rest on women's non-paid work, and the traditional model of the family was encouraged by the household dynamics dimension, 2) By design, the relationship between counsellor and family was to be managed by the woman, and 3) Among the long-term routes to overcoming poverty, the programme encouraged the creation of small business for women, which could result in informal and precarious labour participation.

3.1.2.- What is missing

As was discussed previously, a number of studies have stressed the internal development of the CCT programmes, highlighting the role of particular agents and their diagnostics in the design of the programmes. In my opinion this is a fruitful endeavour; however, it is not a complete one because these do not appropriately stress the role played by international organisms and the CCTs as a model in Latin America. These two perspectives are clearly complementary; the former contributes to the analysis of the local agents; the latter describes the international context in which these programmes were embedded. The governmentalities perspective critically questions the meaning behind these programmes; however, those studies do not sufficiently consider the role played by internal actors, nor the internal policy context in which these two Chilean programmes are integrated.

The analyses which derives from the Power Resources Theory stayed at an abstract level and is not able to focus on particular public policies such as these two Chilean programmes; also, it conflated different policies into one trend which, in the case of Chile, have different logic, poverty programmes on the one side and health and pension reforms on the other (see Chapter One). Thus, in order to assess the decision of using conditional cash transfers to tackle poverty in Chile and understand the reasons behind the choice of the specific features in each programme, analysis must confront the local policy design and the policy diffusion processes.

Considering these six ways in which the CCTs has been analysed, discussed in the previous section, it can be argued that something is missing for the examination of the the design of the two Chilean CCT programmes, and that is the role of the ideas from poverty research. None of these approaches pays enough attention to the concepts of poverty which the CCTs carry, that is, they do not deeply interrogate: how poverty is understood by the policy makers? what are the characteristics which the policy makers think the poor people have? what are the causes of poverty considered in the design? Among others.

In order to consider the role of the concepts of poverty in the design of the two Chilean CCTs, a theoretical framework that is able to engage with the role of ideas is required. This framework should also be able to assess the context in which these programmes were planned. This interweaving process between semiotic and extra-semiotic processes is the main advantage of the Cultural Political Economy (CPE) framework developed by Bob Jessop and Ngai-Ling Sum. In particular, the evolutionary mechanism – Variation, Selection and Retention – and the interplay of the four selectivities allow this research to integrate several aspects already considered by previous investigations, as well as highlight the role of the concepts generated in the debates about poverty. CPE is able to include local policy processes and the political priorities set in those policy process (agential selectivity), the role played by international organisms and the appeal of the CCT model (agential and technological selectivities), the concepts of poverty (discursive selectivity), and the coercion of the context (structural selectivity). Before discussing the CPE in detail, the New Institutionalism – approach which also gives importance to the role played by ideas – will be presented.

3.1.3.- New institutionalism

The relevance of ideas for policies in political science is one of the distinctive features in the so-called New Institutionalism. From a general perspective, an institutional approach to political or social phenomena involves that ‘something identified at a higher level is used to explain processes and outcomes at a lower level of analysis’ (Amenta and Ramsey, 2010, p.15). According to Hall and Taylor (1996), three distinctive approaches can be labelled New Institutionalism; all of them try to elucidate the role of institutions in social and political outcomes. These approaches are: Rational Choice Institutionalism, Sociological Institutionalism and Historical Institutionalism. The first approach states that some institutions are created due to their functions, and prevail because they have lower transaction costs for agents who behave instrumentally according to fixed preferences (Hall and

Taylor, 1996; Hay and Gofas, 2010). In contrast, the Sociological view argues that institutions should be seen as culturally-specific practices, comprising rules and procedures, although they are also a symbol system, cognitive scripts and moral patterns. For Hall and Taylor, this approach 'breaks down the conceptual divide between "institutions" and "culture"' (1996, p.947), because culture is embedded in institutions. Examples of this are the case of transnational convergence in education, environmental treaties or citizen rights. In short, this kind of institutional analysis has highlighted the role of the world culture (Hall and Taylor, 1996; Campbell, 2002; Amenta and Ramsey, 2010).

The Rational Choice approach has been criticised due to its assumption of fixed preferences (Hall and Taylor, 1996), preferences which are presented as non-socially constructed (Amenta and Ramsey, 2010), and uncaused cause on the theory (Blyth, 2002). For Hay and Gofas (2010), the role of ideas is only residual in this perspective, as agents cannot perform strategic actions in periods of uncertainty. Consequently, ideas or ethical motivations could suggest courses of action. In the case of Sociological new institutionalism, the criticisms focus on the lack of a proper theory of change within the institutions due to a lack of understanding of agency (Hay and Wincott, 1998), which derives in quite a static, structuralist approach (Amenta and Ramsey, 2010). Moreover, although culture gives legitimacy, the sources of that cultural authority have not been identified (Campbell, 2002; Hall and Taylor, 1996).

The third approach, Historical Institutionalism, argues that institutions have a role in the distribution of power among different groups. However, institutions are not the only causal force in politics, and ideas have played a significant role in the adoption of policies (Hall and Taylor, 1996). For example, Peter Hall (1989)⁸⁸ identifying three factors which played a role in the adoption of Keynesian ideas. First, economic viability, which refers to the apparent ability to solve relevant economic problems. Second, administrative viability, which in the case of Keynesianism, 'was more likely to be accepted if it accorded with long-standing administrative biases of the official responsible for approving it and seemed feasible in light of the existing implementational capacities of the state' (Hall, 1989, p.373). The third factor is political viability of ideas; that is, they must be able to appeal to a broader range of political groups (Hall, 1989). This approach led Peter Hall to develop the concept of Policy Paradigms, borrowing Thomas Kuhn's concept (Hay, 2001; Campbell, 2002).

⁸⁸ Leading figure of Historical Institutionalism, see Hay and Wincott (1998).

Despite the influence of historical Institutionalism and Hall's considerations, several criticisms have been put forward. Regarding institutional change, 'historical institutionalists hold institutions themselves as theoretical primitives' (Blyth, 2002, p.19), which means that institutions emerge and change from other institutions. In addition, and as the other side of that recursive view of institutions, Hay and his colleagues have stressed the lack of a theory of the actor and a clear engagement with the discussion of structure and agency (Hay, 2001; Hay and Gofas, 2010; Hay and Wincott, 1998).

Hall's proposal of cognitive Policy Paradigms has also been criticised, particularly regarding how one paradigm is replaced by another (Blyth, 2002; Campbell, 2002; Hay, 2001). In Hay's opinion, what is needed is a clear reflection on the role and temporality of the crisis itself. Understanding the crisis as an "objective" account of contradictions and failures is not sufficient; what is needed is the 'perception of the need to make a decisive intervention' (Hay, 2001, p.203), and this is 'generally associated with highly politicized and public debates about the desirability and feasibility of contending political goals' (Hay, 2001, p.200). Therefore, the narration of the crisis is crucial. According to Hay, what is needed is a clear "constructivist institutionalism", which emerges from the Strategic-Relational Approach (SRA). In what follows, the SRA, developed by Bob Jessop (2008) and supported by Colin Hay (2002), will be reviewed. Then, a brief review of Hay's institutionalist proposal and Sum and Jessop's account of institutionalism in the context of the CPE approach will be presented.

3.1.3.1- Excursus - Strategic-Relational Approach

CPE has one of its antecedents in the Strategic-Relational Approach (SRA). Originally developed to conceptualise the state within Marxism, Jessop developed the SRA to embrace the structure-agency debate in sociology, expanding it to the discussion into Critical Political Economy (Jessop, 2008). Jessop argues that what is conventionally called power is a complex and overdetermined phenomenon that can explain the production of significant effects only due to the interaction between social forces and the prevalent social structure. Considering such contingency, the effect of power in a given set of circumstances 'cannot be predicted from knowledge of the circumstances themselves' (Jessop, 2008, p.29). However, this does not imply indeterminacy; power is a result of a number of complex factors related to the organisations and the overall balance of forces. This view rejects the ontological distinction between "state power" and "class power" because the state is not a subject with power and the class struggle continues within the state. These insights, along with Poulantzas' ideas make

Jessop reject the instrumentalist and subjectivist views of the state, which regard the state as an expression of the balance among classes or as a unitary political subject, respectively. Instead, the state is understood as a social relation, that is, a relationship of forces or a material condensation of the relationship of class and a fraction of class that helps to constitute balance among classes (Jessop, 2008, p.125ff.).

If the discussion on the state (and Poulantzas' ideas) gives Jessop the "relational part" of the approach, the "strategic part" comes from another Marxist discussion addressing the state. This is the so-called debate between structuralism and instrumentalism, or the dichotomy between capital-theoretical and class-theoretical approaches to the state. In the former, the state is the political support for accumulation; in the latter, the state reflects the shifting equilibrium among classes. According to Jessop, both approaches have valid points, but between them there is no mediation; thus he develops the notion of "strategic" to bring these together. Strategic theoretical concepts avoid the essentialized laws of capital and avoid the one-dimension focus on the economic aspect of the analysis of class struggle (Jessop, 2008, p.33ff.).

Jessop engaged with the structure-agency discussion in sociology in order to apply strategic theoretical concepts to political economy and reach a further development of the SRA. Jessop rejects the dualism of structure and agency in sociological theory – represented by structuralism and voluntarism – but also rejects Giddens and Archer's attempts to deal with that debate (Jessop, 2008)⁸⁹. Instead of accepting those proposals, he built a theoretical argument across three stages which advance from the abstract towards the concrete. In the first stage, the unacceptable dichotomy between structure and agency is presented, where the former is seen as an "external constraint" and the latter as "free-willed actions". Then, Jessop presents the structure-agency duality, in which there is an emergent social structure – because it is affected by the agency – and partly socialised agents – because they express the powers of the structure. Thus, 'structure and agency are supposed to be mutually reproductive and consistent' (Jessop, 2008, p.40). This second stage includes Giddens's structuration theory and Archer's morphogenetic approach. These proposals are still abstract and, more importantly, they express a dualism even though they are presented as duality (Hay, 2002; Sum and Jessop, 2013). In the third stage, 'Jessop does (...) a repeat move – bringing the situated actor back into the structured context and the structural context to the situated actor– yields a new conceptual

⁸⁹ See also Hay (2002) and Sum and Jessop (2013).

pairing in which the dualism of structure and agency has been dissolved' (Hay, 2002, p.128)⁹⁰. The resulting pair is Structurally Inscribed Strategic Selectivity and Strategically Calculated Structurally oriented Action (Sum and Jessop, 2013, p.50).

3.1.3.2- Constructivist institutionalism

As has been seen in the criticisms made to Historical Institutionalism, Colin Hay finds it difficult 'to reflect upon the relationship between the ideational and the material without invoking the structure-agency debate' (Hay, 2002, p.209). When the SRA approach is applied in a specific context, only certain strategic actions are available to the actors, and political and economic contexts usually present an uneven configuration of opportunities and constraints. Hay proposes a constructivist institutionalism given the difficulties to assume that the 'strategic actors have a fairly direct and unmediated access to the contours of the terrain they inhabit' (Hay, 2002, p.209). In other words, these actors perform as part of a structure which privileges certain strategies over others, which does not mean that they know exactly how that structure works.

Given that actors are strategy seekers who are trying to perform certain goals, they do that in a context that favours certain strategies over others, and they must rely on their perceptions of what that context is. In this first sense, those perceptions are, at best, relatively accurate ideas for a course of action in that context. But also, actors' 'ideas in the form of perceptions "matter" in a second sense, for actors are oriented normatively towards their environment. Their desires, preferences, and motivations are not a contextually given fact but are irredeemably ideational, reflecting a normative (indeed, moral, ethical, and political) orientation toward the context' (Hay, 2010, p.67). In terms of institutional analysis, then, actors are not analytically substitutable for the context and their preferences cannot be derived from the institutional context. However, this also implies the necessity of an ideational path-dependence, that is, the act of researching the origin and development of the ideas. As Hay writes, '[i]nstitutions are built on ideational foundations that exert an independent path-dependent effect on their subsequent development' (Hay, 2010, p.69).

The role of ideas in constructivist institutionalism can be better understood when Hay argues for a constructivist view of interests. Material interests are a powerful theoretical strategy to explain actor's

⁹⁰ See also Jessop (2008) and Sum and Jessop (2013).

behaviour because; once defined, they could predict their behaviour⁹¹. Another, more elaborated way to see interests includes the perceptions or ideas of the actors; thus, context determines the “real” or “material interest” of the actors, but they can only acknowledge them as “perceived interests” informing their behaviour (Hay, 2010, pp.71–76). However, despite the fact that the two perspectives rely on a particular conception of material interests, in the latter the relation between context and behaviour cannot be determined because it is mediated by perceptions that are contingent. Therefore, Hay concludes that constructivist institutionalists should avoid the concept of material self-interest and adopt a more consistent constructivist concept. As he writes, ‘interests do not exist, but constructions of interests do. Such constructions are inherently normative and subjective/intersubjective conceptions of self-good’ (Hay, 2010, p.79).

3.1.3.3- Towards Cultural Political Economy (CPE)

According to Sum and Jessop (2013), institutional analyses are not disregarded in the discussion. In fact, several aspects of what they understand as “institutional turn” are welcomed. They understand institutions as a relevant aspect to study (thematic), as an entry-point to analyse the social world (methodological), and as a crucial factor for social order (ontological)⁹². They follow Hall and Taylor’s (1996) distinction between Rational Choice, Sociological and Historical Institutionalism, and also acknowledge a fourth type, called Discursive or Constructivist institutionalism, which represents an improvement because it makes a case for the role of ideas in the development of institutions (Sum and Jessop, 2013). However, in their opinion, the SRA is a more appropriate way to express those institutional turns from a theoretical perspective. Therefore, regarding rational choice, sociological and historical institutionalism, the SRA highlights the relevance of agency in the institutional analysis (in line with Colin Hay).

Regarding Constructivist Institutionalism, Sum and Jessop do not directly criticise it; actually, they highlight semiosis as a constitutive aspect of any social relation, which is clearly a constructivist aspect in their approach. They argue that the SRA is a more suitable approach because it encompasses the institutions within the “Structurally Inscribed Strategic Selectivity” and in “Structurally Oriented Strategic Calculation” concepts. Furthermore, the SRA does not take for granted the reproduction of institutions; instead, it allows an understanding of how ‘social practices can overflow and disrupt

⁹¹ Along with the use of material interests, the other device to make the social world more predictable is the appeal to (universal) rationality (Hay, 2010).

⁹² See Sum and Jessop (2013, pp.37–45).

institutions' (Sum and Jessop, 2013, p.67). What is different regarding Hay's constructivism, is the idea of complexity reduction as a constitutive aspect of semiosis and, more importantly, the construction of a whole theoretical scaffolding which allows for the integration of not only the institutions' selectivity and the role of ideas in it, but also other aspects which emerge from the four distinctive selectivities – Structural, Agential, Discursive and Technological⁹³.

According to Jessop (2008), the CPE approach emerged from three different contributions. First, it emerged from the development of the SRA along with his discussions about Gramsci and Foucault. Second, Hay's use of the SRA, particularly when 'he adopted it (the SRA) to explore how discursive paradigms privilege some interlocutors, discursive identities/positionings, discursive strategies and tactics, and discursive statements over others' (Jessop, 2008, p.48). Third, it emerged from Ngai-Ling Sum's work on Economic Imaginaries, which highlighted the relevance of the semiotic for the analysis of economic realities, particularly her analysis of the emergence of a knowledge-based economy.

For the present research, the CPE approach is more suitable than Hay's Constructivist Institutionalism, for three main reasons. First, CPE provides a more comprehensive understanding of the whole policy formulation process through the use of three evolutionary mechanisms – variation, selection and retention – and the four selectivities. Second, even though the CPE has been used mainly in the analysis of broad policy transformations such as the configuration of a global knowledge-based economy or the analysis of the 2008 financial crisis, it is also a suitable approach for the analysis of more limited policies which are part of those general processes. In other words, while constructivist institutionalism can understand a policy's paradigmatic change, the CPE not only can do that but also it can examine policies designed within the boundaries of a policy paradigm or a welfare regime. Third, although Hay acknowledges several sociological insights, his proposal is anchored within the boundaries of political science. In contrast, CPE is clearly a post-disciplinary approach which integrates insights from different disciplines. More importantly, this allows for the integration of three crucial theoretical issues for the present study: 1) Understanding poverty relief programmes in relation to political economy tendencies in the country; 2) Integrating the role of actors into the policy process beyond the discourse; and 3) By means of Technological Selectivity, include Foucauldian analysis to analyse poverty relief policies.

⁹³ Semiosis and other relevant features of the CPE approach, such as selectivities, will be discussed in detail in the next section.

3.1.4.- Cultural Political Economy

In the words of Bob Jessop, CPE 'is an emerging post-disciplinary approach that highlights the contribution of the cultural turn (a concern with semiosis or meaning-making) to the analysis of the articulation between the economic and the political and their embedding in broader sets of social relations' (Jessop, 2010, p.336). This approach takes the cultural turn as a serious way of avoiding two temptations in social analysis. On the one hand, the (slightly old) structuralist approach; on the other hand, the (slightly new) social constructivism approach.

Philosophically speaking, CPE is based in Critical Realism, which, as a philosophy of science, examines and critiques the presuppositions of theoretical traditions; it does not provide substantive concepts and methods; those have to be produced by others means and be objects of scrutiny by critical realism (Sum and Jessop, 2013). Critical realists posit the existence of real causal mechanisms which often stay latent until some actor triggers them and become actualised. Specifically, Critical Realism distinguishes between "real mechanisms", "actual events" and "empirical observations". Sum and Jessop state that, '(t)he real comprises the defining emergent features, causal properties, affordances and vulnerabilities of a given set of relations – which may or may not be actualised' (2013, p.9)⁹⁴. In other words, they may or may not become actual events. The empirical observations are the evidence for the actual events. Hence, this perspective invalidates the naive positivist approach of inferring causation from empirical regularities; rather than inference, critical realism proposes "retroduction", which involves asking 'what must the world be like for 'x' to happen?' (Sum and Jessop, 2013, p.9). The real world, according to critical realists, is a regulative idea on which theories are tested and re-built in a never-ending process.

One of the distinctive features of the CPE framework proposed by Jessop and Sum is the importance given to complexity reduction. Thus, 'the real world (regulative idea) is too complex to be grasped in all its complexity in real time' (Sum and Jessop, 2013, p.9); therefore, complexity reduction is the way to deal with that complex world, both in the semiotic and non-semiotic. The cultural turn can be seen as thematic, methodological and ontological, and in the case of CPE, the emphasis is on the ontological aspect. Thus, 'the cultural turn regards semiosis as causally efficacious as well as meaningful and, in

⁹⁴ See also Sayer (2010).

this sense, suggests that it serves not only to interpret actual events and processes and their emergent effects but also to contribute to their explanation' (Jessop, 2010, p.337). In other words, CPE is not adding semiotic aspects but, instead, it highlights the semiotic nature of all social relations.

This emphasis on semiosis as the intersubjective production of meaning separates Jessop and Sum's perspective from other CPE approaches. For instance, in their analysis of global education, Robertson and Dale (2014) state that CPE brings together the political economy analysis and the cultural turn. In contrast with Jessop, they do not regard 'the cultural as semiosis, whilst (Jessop's) analytic work centres on the production of discourses'; thus, 'a broader understanding of the cultural as civilizational projects – such as western modernity, Confucianism, Islam, and so on' is needed (Robertson and Dale, 2014, p.154). The focus on semiosis also separates CPE from others perspectives which emphasise 'the social/cultural construction and embedding of economic actions and activities' (Jones, 2008, p.383).

Complexity reduction has two aspects. First, actors (analysts or not) reduce complexity by means of semiosis in order to give meaning to the world; as the world cannot be grasped in all of its complexity, actors attribute meaning to certain aspects over others. Jessop writes that 'actors/observers have no direct access to that world apart from the sheer facticity of the concrete historical situations into which they are thrown. They do not encounter the world as pre-interpreted once-and-for-all but must engage with and reflect on it in order to make some sense of it' (2010, p.338). Second, complexity reduction is also related to the emergent patterns of (social) interaction, 'possible connections and sequences of action are limited' (Jessop, 2010, p.338). Therefore, those two forms of complexity reduction – one cultural (meaningful/semiotic), the other social (structural/extra-semiotic) – transform a meaningless and unstructured complex world, into a meaningful and structured one.

For Jessop, the relationship between cultural and social moments requires the distinction between "construal" and "construction". All actors have to construe the world, but 'given the potential for infinite variation in construals, we must explore how their selection and retention are shaped by emergent, non-semiotic features of social structure as well as by inherently semiotic factors' (Jessop, 2010, p.338). This means that all social practices are semiotic, but not all social practices are reducible to semiotic moments. In other words, the construals seem equal but, given the causal mechanism of social moments (structuration), only selected ones are included in the construction.

In methodological terms, construal/construction is expressed in the three evolutionary⁹⁵ mechanisms – Variation, Selection and Retention – of the ‘dialectic of path-dependency and path-shaping that emerges from the contingent co-evolution of semiotic and extra-semiotic processes’ (Jessop, 2010, p.340). Variation refers to the contingent emergence of different interpretations of the world, discourses or practices ‘due to their incomplete mastery, their skilful adaptation in specific circumstances, new challenges or crises, or other semiotic or material causes’ (Sum and Jessop, 2013, p.184). Selection refers to the privilege of having a particular interpretation (or discourse) of events, crises or legitimisation actions; here, semiotic factors operate through the resonance of discourses in personal, organisational and institutional contexts. As Sum and Jessop write, ‘(m)aterial factors also operate here through conjunctural or entrenched power relations, path-dependency and structural selectivities’ (Sum and Jessop, 2013, p.185). Retention, the third evolutionary mechanism, refers to the inclusion of selected features in actors’ habits, organisational routines or institutional rules of resonant discourses⁹⁶. Therefore, by means of the co-evolution of semiosis and structuration among different construals (variation), only some of them are selected. Later, only one is retained in the construction. In this process, Sum and Jessop (2013) pointed out the hypothesis that semiosis is relatively more relevant in variation; then, its importance declines and gives place to a greater significance of structuration in the retention moment.

The most relevant evolutionary mechanism for social analysis is “selection”, because it is in this process where structures, social forces, argumentative tools of discourses and institutions express their powers to shape a social formation; from the variety of views of the world or interpretations of the crisis, only a few are selected; and that shapes the subsequent retention moment. The CPE approach analytically distinguishes between “four selectivities”, which affect the whole process; and is those selectivities that give the CPE its post-disciplinary approach, that due to the coherent articulation of insights from different theoretical backgrounds. Those selectivities are: Structural, Agential, Discursive and Technological. The first two are directly derived from the SRA, whilst the

⁹⁵ Here, the term ‘evolutionary’ does not mean evolutionism or a pre-determined path; instead, the term is used because it denotes a sequence (which is dialectic and contingent) (Jessop, 2010; Sum and Jessop, 2013).

⁹⁶ Two other mechanisms have been added: ‘reinforcement’ and ‘selective recruitment’ or ‘inculcation’. It can be argued that they play a secondary role in the co-evolution of semiosis and structuration. In fact, authors only refer to three main evolutionary mechanism processes, whilst the others are complementary. (See Jessop, 2010; Sum and Jessop, 2013; Jessop and Oosterlynck, 2008).

Discursive and Technological selectivities emerged out of the cultural turn and Foucauldian analyses, respectively (Jessop, 2010; Sum and Jessop, 2013).

Structural selectivity ‘denotes the asymmetrical configuration of constraints and opportunities on social forces as they pursue particular projects’ (Sum and Jessop, 2013, p.214). Certain structures favour particular interests, identities and agents over others but this is not an absolute constraint and it can vary over time. Agential selectivity refers to the ‘differential capacity of agents to engage in structurally oriented strategic calculation –whether in regard to structurally or discursively inscribed strategic selectivities– not only in abstract terms but also in relation to specific conjunctures’ (Sum and Jessop, 2013, p.217). The authors highlight the contingent effects of agency related to the abilities of social forces to read conjunctures or (re)politicise and articulate discourses. Discursive selectivity indicates the asymmetrical restrictions and opportunities of a broader semantic order; it is concerned with ‘the manner in which different discourses (whether everyday or specialized) enable some rather than other enunciations to be made within the limits of particular languages and the forms of discourse that exist within them’ (Sum and Jessop, 2013, p.215). Finally, Technological selectivity refers to the ‘assemblages of knowledge, disciplinary and governmental rationalities, specific (...) for transforming nature and/or governing social relations’ (Sum and Jessop, 2013, p.218). Technologies comprise devices and social regularities which carry those knowledges and rationalities. Apart from Foucauldian and Actor-Network Theory insights, Sum and Jessop (2013) add the division of labour as part of technological selectivity.

One relevant point to bear in mind in relation to the application of the CPE – which is in line with Hay (2010) – is the relevance of crisis in starting the process. As Jessop states, ‘crises tend to create profound cognitive, strategic, and practical disorientation by disrupting actors’ sedimented views of the world (...) They disturb prevailing meta-narratives’. The crises open the space for another evolutionary process because they ‘create space for proliferation (variation) in crisis interpretations’ (Jessop, 2012a, p.18). In this respect, Jessop and Oosterlynck (2008) analysed a crisis in the Flemish area of Belgium; Jessop (2010) analysed the different interpretations of the 2008 financial crisis; Jessop (2012a) assessed the economic and ecological crisis; Oosterlynck and González (2013) also start from the 2008 crisis, analysing cities’ responses; finally, Jessop and Sun (2013) analysed the relevance of competitiveness and knowledge-based economy in the long crisis of the Keynesian Welfare National State. For instance, regarding the “economic” crisis of 2008, there was a variation in economic imaginaries about the reasons and extension of the crisis. Given the semiotic and extra-semiotic

factors, a number of imaginaries were selected in order to resolve the crisis, and those interpretations not only depend on their 'narrative resonance, argumentative force, or scientific merit alone (although each has its role in certain contexts) but also on structural, agential, and technological selectivities' (Jessop, 2010, p.348). In particular, that selection carried the confinement of the 2008 economic crisis, into a financial crisis only. Finally, the retention moment is expressed in the several policies introduced, which are coherent with the idea that the crisis was only financial, such as: return to Keynesian demand management, restructuring and recapitalizing banks and isolating toxic assets, building a new international financial architecture and the green new deal (Jessop, 2010, 2012a, 2013b).

3.1.5.- Towards the Application of CPE for the analysis of the Two Chilean CCTs.

In this section, relevant aspects to circumscribe the CPE to the analysis of CCT programmes in Chile will be discussed. In particular, crises starting the processes; the place of Economic Imaginaries within the CPE, and how the discussions regarding poverty in Chile can be understood as competing Poverty Imaginaries will be addressed. Then, the methodological aspects of the CPE will be presented, along with the use of the Evolutionary Mechanism and role of the four Selectivities in each mechanism, which are presented in reference to the empirical chapters of this thesis.

3.1.5.1- On Crisis

As has been pointed out, the notion of crisis plays a fundamental role in CPE, it triggers a semiotic questioning of what was the normal understanding, disturbing the prevailing narratives; therefore, the evolutionary mechanisms are set in motion (Jessop, 2008, 2010). For this research, this view of crisis activating the "variation" mechanism should be adapted, to avoid the risk of misunderstanding the policy process in the search for a crisis. In other words, when the SCH and the EFI were introduced, there was no evidence of a crisis of state policies nor social demonstrations; rather, these programmes began as part of the government's administration (Palma, 2005; Puentes, 2009; Cecchini, Robles and Vargas, 2012; Martínez Franzoni and Voorend, 2011). In this sense, more than searching for a crisis, this study will look for the events and processes that, following Hay (2001), supported the need for an intervention, in this case, tackling poverty.

Thus, more than a crisis, in itself, of poverty at the time of designing these CCT programmes, the idea of a failure of previous policies was discursively produced. Regarding discursive selectivity, Sum and Jessop (2013, p.405) draw from Hay's (1996) analysis on the discursive construction of the 'winter of discontent' in Britain. For Hay, the analysis should not be on whether media coverage was accurate or not; rather, its focus should be placed on the narrativisation of the crisis – attributions of causality and responsibility – and 'the discursive selectivity imposed by such narratives' (Hay, 1996, p.265). In that case, the discursive construction of the state's crisis was a process that went from the specific to the abstract, which emerged when different individual narratives (on particular events) converged in a single meta-narrative with a particular meaning, which was that the Unions held the country (Britain) to ransom (Hay, 1996, p.269).

3.1.5.2- Economic Imaginaries – Poverty Imaginaries

For the analysis of empirical economic realities within the CPE, Jessop and his colleagues developed the concept of "economic imaginaries" (Jessop and Oosterlynck, 2008; Jessop, 2010; Sum and Jessop, 2013). This is not only an intellectual tool; rather, it is the way in which any actor, investigator or not, approaches the complexity of the social world. Given that economic activities are unstructured and complex, they cannot be an object of effective evaluation, management or guidance. Thus, Economic Imaginary is a semiotic order which 'comprise[s] a specific configuration of genres, discourses and styles and thereby, constitute[s] the semiotic moment of a network of social practices in a given social field, institutional order, or wider social formation' (Jessop, 2010, p.344). In the process of co-evolution of semiosis and structuration, the crisis opens the way to a variety of competing views about that crisis, which are the economic (or political) imaginaries, and only some of them end the process as retained; it is the 'complex coevolutionary process of variation, selection and retention that gives relatively successful economic and political imaginaries their performative, constitutive force in the material world' (Sum and Jessop, 2013, p.141).

As Durrant points out, for CPE scholars, 'their focus tends to offer broad accounts of changing or stabilising capitalist social formation' (2012, p.70)⁹⁷. Although that is correct for Jessop (2010, 2013b) research on the 2008 financial crisis; and Sum's works regarding competitiveness and knowledge-based economy (Sum and Jessop, 2013; Sum, 2009), other investigations address more bounded topics in which not only broad economic imaginaries are at stake, but also more specific ones. For

⁹⁷ Similar account in Jones (2008, p.384).

example, Durrant (2012) analysed the government strategies to enhance skills in England's during New Labour's governments, and she related these policies with broad economic imaginaries. Jessop and Oosterlynck (2008) specifically addressed the Flemish region and the attempt to restructure its development strategies, identifying two competing imaginaries for anchoring the Flemish economy. Ellis (2014) also used this concept to analyse how personal debt had been framed in Britain, and attitudes and behaviours towards that. More interesting for the present study, is Jessop's (2012a) use of economic and ecological imaginaries in non-growth economies after the 2008 financial crisis. The author examines specific ecological imaginaries which are also under the evolutionary mechanism. In a similar vein, Paul (2012) studied migration policies in three European countries, also using the analytical device of economic imaginaries from the CPE, but with a focus on these policies, understanding them as 'highly selective semiotic systems that accentuate specific aspects of the socioeconomic world to frame policies' (Paul, 2012, p.380).

In general, these two Chilean CCT programmes are part of the same period in the Chilean capitalist social formation; therefore, the broader accounts of political economy are part of the context in which these specific policies were developed. Although some changes in the welfare regime were made in that period – as was argued in Chapter One – SCH and EFI have their own logic and cannot be explained only by those. Thus, for the present research, the concept of Poverty Imaginaries was used to analyse the two Chilean CCT Programmes; these imaginaries varied when former ways to deal with poverty were put into question. Only some imaginaries were selected and retained in the actual characteristic of these CCT programmes.

These poverty imaginaries comprise several aspects, including the causes of poverty, objective population, ways to intervene and the aims of these programmes. In order to be specific, this research has instrumentally benefited from the approach of Carol Bacchi (2009) to analyse policies, "What is the problem represented to be?". This is done in an instrumental way because it is extensively based on the ideas of Foucault and its followers, mainly in relation to the concept of governmentality, which is not the theoretical view here. Despite this, Bacchi's questions cover significant aspects of the policies, such as questioning what the problem represents?⁹⁸ The assumptions and rationality which

⁹⁸ In Bacchi's approach it is stated that social problems are not external issues waiting to be fixed by the policy; in fact, this 'approach sees governments as active in the creation or production of policy "problems"'. (Bacchi, 2009, p.33). As a consequence, from a governmentality perspective, is that 'we are governed through problematisations rather than through policies' (Bacchi, 2009, p.31).

lies underneath a particular style of governing; how those representations were developed? What is left unproblematic? Among other aspects. Taking some of those aspects, the “poverty imaginaries” in the CCT programmes comprise three aspects related with the following questions: 1) how is poverty understood as a problem? 2) which interventions are proposed to relieve poverty? 3) what does not being poor look like?

3.1.5.3- Evolutionary Mechanisms, Selectivities and Chapters’ Structure

The three Evolutionary Mechanisms specified the co-evolution of semiotic and extra-semiotic processes. And, as Sum and Jessop (2013) argued, the weight of the semiotic and the extra semiotic is not the same through those evolutionary mechanisms. Relatively speaking, semiosis is more relevant at the beginning of the process; then, its importance declines and giving place to the extra-semiotic aspects, which are much more decisive in the retention moment⁹⁹. This differentiated role, obviously resonates in the four Selectivities, the theoretical tools upon which the analysis of the Chilean CCT programmes is based. Thus, in the Variation mechanism, the Agential and Discursive selectivities play a significant role in the construction of poverty as a problem and the alternatives of intervention. Then, in the Selection mechanism, the four selectivities play a role in choosing an alternative over others. Finally, Structural and Technological selectivities are particularly relevant in the Retention mechanism.

The structure of the empirical chapters (Four to Seven) is built from the mix between the three aspects of the poverty imaginaries, and the three evolutionary mechanisms of the CPE. Chapter Four addresses the “construction of poverty as a problem” in both programmes, Variation mechanism only. In this chapter are analysing the diagnostics regarding poverty and policies – which installed the idea of crisis in the ways to tackle poverty –, and the Presidents launching the design processes; the selectivities relevant are mainly Discursive and Agential. Chapter Five addresses the “construction of poverty as a problem” in the Selection mechanism only; examining the characteristics assigned to the extremely poor people in these programmes and how the causes of poverty were understood; the four selectivities played a role.

⁹⁹ See also Jessop (2013b) and Jones (2008).

From the “poverty imaginaries” perspective, Chapter Six is a hybrid, because this is the link between the “construction of poverty as a problem” and the “intervention”; dealing with the Retention mechanism of poverty as a problem, and Variation mechanism of the intervention. Here, the boundaries of the “construction of poverty as a problem” are addressed, which focuses on the aspects which were left behind by policy makers. With respect to the intervention, the CCT as a strategy to intervene poverty is presented. Chapter Seven focuses entirely on the “intervention” features of the programmes; thus, the four selectivities are considered. Finally, the third aspect of the poverty imaginaries, i.e. how these programmes regarded the idea of “not being poor” – as related to the aims of the programmes –, will be briefly discussed in Chapter Eight.

3.2 – Methodological Framework

To answer the research question – why did Chilean policy makers choose the particular features of these programmes to tackle extreme poverty in Chile? – it is necessary to include two interrelated issues: the policy-making process in which those features were selected, and the meaning of those features. These two issues are interrelated under the CPE framework, and to address that research question, this study was based on semi-structured interviews with policy makers.

3.2.1.- Research Approach

The literature regarding research methods in the social sciences distinguishes between research strategies and research designs; the former are the general orientation to perform social research, whilst the latter are the framework to collect and analyse the data (Bryman, 2012). Similarly, Rubin and Rubin state that the research design ‘is about planning what you are going to ask, whom you are going to ask, and why’ (1995, p.42). Moreover, studies usually belong to one of two main epistemological approaches, namely positivism and interpretivism, which generically splits the quantitative and qualitative research strategies (Bryman, 2012; Rubin and Rubin, 1995). That broad and almost classical approach has been enriched by a more complex understanding of the several epistemological approaches brought about by different research strategies (Blaikie, 2009; Ormston et al., 2014).

As was stated, CPE is based on critical realism, which dissolves the dispute between positivism and interpretivism. It distinguishes between the transitive and intransitive dimensions of knowledge. Thus, ‘rival theories and sciences have different transitive objects (theories about the world) but the world they are about –the intransitive dimension– is the same’ (Sayer, 2000, pp.10–11). This implies that the world should not be conflated with the experience we have of it. It is in relation with this that critical realism distinguishes between the real, the actual and the empirical, already presented. In terms of research strategies, Blaikie (2009) distinguished four different approaches: inductive, deductive, retroductive and abductive; in the case of critical realism, retroductive is the best approach because it seeks to ‘discover underlying mechanism that, in particular contexts, explain observed regularities’ (Blaikie, 2009, p.87). In more practical terms, ‘events are causally explained by retroducting and confirming the existence of mechanisms, and in turn the existence of mechanisms is explained by

reference to the structure and constitution of the objects which possess them' (Sayer, 2010, p.158). This process involves not only concrete research about a topic or generalizations; going back to the mechanism and structures implies abstract research, which carries concrete research on empirical investigation (Sayer, 2010). In what follows the specific aspects of the research design based on qualitative methodologies will be discussed.

3.2.2.- Qualitative Methodologies

As Blaikie holds, research design is 'an integrated statement of and justification for the technical decisions involved in planning a research project' (2009, p.15). In the case of qualitative approaches, Rubin and Rubin (1995) argue that these research designs, particularly interviewing studies, are flexible, iterative and continuous. Flexible because the research topic could change once the research process has started, which allows the analysis of new insights emerging from the interviews itself, or changing specific questions and adjusting them to different participant groups. An iterative design refers to the idea that with each step, the researcher is more focused on the core points she is seeking to analyse. Finally, 'a continuous design allows exploration of new topics while keeping the research organized and focused' (Rubin and Rubin, 1995, p.48). In what follows, key aspects of the research design for the present study will be presented.

3.2.2.1 Interviews

In order to assess the policy process of the two Chilean CCT programmes and the poverty imaginaries, this research relied on semi-structured interviews applied to policy makers involved in the design of the programmes. The use of interviews, has been questioned as a tool for gathering information; some authors argue that these cannot be a neutral instrument, as in the interviewing process the outcome is a negotiated text from the interviewed and interviewer (Fontana and Frey, 2005). This understanding, rooted in a constructivist epistemological stance, should not be dismissed. In the present study, interviews are understood under the metaphors of the miners and the traveller. The metaphor of the miners 'sees the interview as an interaction which accesses and acquires the participant's pre-existing knowledge or views' (Yeo et al., 2014, p.179). This aspect is relevant because the interviewed are individuals who participated in formulation processes; therefore, they had access to the design processes (in an informative way) and their opinions about them. However, that access is not given in a vacuum; it will be generated as an intersubjective process, negotiated between the researcher and the interviewee. For this reason, it is important to acknowledge the metaphor of the

traveller, which highlights that creative process and regards 'the researcher (as) an active player in the development of data and of meaning' (Yeo et al., 2014, p.179)¹⁰⁰.

3.2.2.2 Elite interviews

The interviews in this study were on elite actors given their involvement in the design of the two Chilean CCT Programmes. However, as Harvey (2011) reasons, there is no clear definition in the literature about elites. Some authors stress the relational sense of it – the elite are those who are above average in society. Other definitions focus on the level of command and influence that these actors have in the decision-making process. In the present study, I followed the latter approach; therefore, the interviews were conducted with policy makers who had a position of command and/or influence in the decision making process involving policy design.

These interviews posed several challenges given the specific nature of the interviewees. Berry warns that if researchers 'have a purpose in requiring an interview', the interviewees also 'have a purpose in the interview too: they have something they want to say (...) they're talking about their work and, as such, justifying what they do' (Berry, 2003, p.680). Therefore, it is the task of the researcher to recognise that position and at the same time realise when the interviewees exaggerate their roles and diminish others. Harvey (2011) also points out the importance of gaining the confidence of the elites; thus, the interviewer must let them know that their answers are not being evaluated; and also be prepared to adapt the style and/or order of the questions and be ready to strategically answer the interviewees' inquiries about what the researcher thinks about the topic and the research focus. In particular, open-ended questions are recommended, 'because [the elite] do not like to be confined to a restricted set of answer' (Harvey, 2011, p.434). Berry (2003) and Harvey (2011) warn that sometimes the elite do not want to answer certain questions, and that some of them are trained to avoid questions; they recommend the use of follow-up questions or use silences to create "awkward" moments and in that way pressure for an answer. However, they advise against using those strategies too often in a single interview (Harvey, 2011; Berry, 2003).

Regarding the challenges posed by this type of interview, these were considered at the time I performed the interviews. All the questions were open-ended in order to allow the interviewees to

¹⁰⁰ Elliott (2005) made a similar distinction between naturalist and constructionist approaches.

reframe them and link them to other issues relevant for them. I used follow-up questions to come back to the original question when that was deemed necessary. Moreover, their answers were not evaluated, nor I expressed a positive or negative opinion regarding what they were saying; actually, in some follow-up questions, I regarded their opinions as mine, in order to go deeper in the topic. Only in one area, regarding that the objective population – extremely poor people – were clearly different from the rest of the population, due to the relevance of the issue I stressed the existence of evidence which contradicts that statement. I create awkward silences to look for an answer, which usually worked well.

Finally, even though I was open to explaining my research and perspective, most of them did not inquire more about my stance, mainly because the research was an academic one. Only some of them asked me about my ethical position regarding poverty and the importance of anti-poverty policies; others asked me about policies in Europe in relation with the Chilean ones; and two were curious about the theoretical framework (CPE).

3.2.2.3 Sample

In comparison with quantitative research, the qualitative sample is relatively small, mainly because that enables in-depth examination of the information produced (Bryman, 2012; Ritchie et al., 2014). This is related what Critical Realism researchers call “intensive research design”, in contraposition to the “extensive” one, more related to quantitative approaches (Sayer, 2010). Ritchie and her colleagues (2014) distinguish between “theoretical”, “convenience” and “purposive” sampling. The first, related to grounded theory, select the people based on their contribution to, and testing of, the theory. Convenience sampling selects the people which are available. The third type of sampling, which was used in this research, is purposive sampling; it selects the people because ‘they have particular features or characteristics’ which are interesting for the research (Ritchie et al., 2014, p.113). In specific, the sample applied here was purposive of critical or typical cases, because the people were contacted given they particular involvement in the design of the SCH or EFI.

In broad terms, the sample was divided into two different groups. The first group was composed of academics and researchers who have investigated the programmes, while the second group was formed by policy makers. This distinction is related to the iterative aspect of the interviewing studies highlighted by Rubin and Rubin; they recommended that in early interviews, ‘you actively solicit a wide

variety of ideas, themes, and explanations and try not to limit how interviewees respond to your concerns' (Rubin and Rubin, 1995, p.46). At later stages, the interviews are more focused on the specific concerns of the research. Thus, in this study, at the beginning of the fieldwork the focus was placed on interviews with academics and researchers who have already investigated public policies in Chile. In fact, out of the first five interviews, four were conducted with researchers, and then the focus moved to policy makers. In total, nine researchers were interviewed. Interviewing researchers allowed me to have a more thorough understanding of public and poverty policies in Chile, and also helped me create a more complete list of key policy-makers to interview later, and obtain the contact details of some of them.

The second broad group are the policy makers who were involved in the design process of the two Chilean CCT programmes. For this research, policy makers are seen as the actors who are 'engaged in the decision-making process. They may be elected officials, bureaucrats, technocrats, or consultants depending on the institutional structure in which they operate' (Garvin, 2001, p.444). The policy makers were divided into three subgroups. The first group was formed by politicians who participated in the design and the decision-making process; this includes ministers and deputy ministers, as well as directors of programmes and divisions in the government. The second subgroup is formed by bureaucrats or technocrats who worked for the government in the design of the programmes. The third subgroup is formed by people who acted as advisors in the design process of the policies; this includes bureaucrats and technocrats who, due to their expertise, gave advice on the design of the programmes regarding specific issues. It also includes people who are not in the government who acted as advisors in specific matters, given their expertise. The next table presents the sample, distinguishing between groups and subgroups, the number of interviews for each category and the codes to identify each one in the empirical chapters; more information about them is provided in the appendix, including some of them their names, as they asked for this¹⁰¹.

¹⁰¹ The participant named explicitly authorised it in the consent form.

Table 3-10 - Sample of Interviews.

	Group and subgroup	Programme	Number of interviews	Codes
I.	Researchers or academics with expertise related to the programmes.	Both Programmes	9	<ul style="list-style-type: none"> • Researcher-1 To • Researcher-9
II.1	Politicians who participated in policy design.	Solidarity Chile (SCH)	5	<ul style="list-style-type: none"> • Politician-SCH-1 To • Politician-SCH-5
		Ethical Family Income (EFI)	2	<ul style="list-style-type: none"> • Politician-EFI-1 And • Politician-EFI-2
II.2	Bureaucrats or technocrats who worked in policy design.	Solidarity Chile	5	<ul style="list-style-type: none"> • Bureaucrats- SCH-1 To • Bureaucrats- SCH-5
		Ethical Family Income	4	<ul style="list-style-type: none"> • Bureaucrats-EFI-1 To • Bureaucrats-EFI-4
		Both	2	<ul style="list-style-type: none"> • Bureaucrats-Both-1 And • Bureaucrats-Both-2
II.3	Advisors of policy design.	Solidarity Chile	4	<ul style="list-style-type: none"> • Advisor-SCH-1 To • Advisor-SCH-4
		Ethical Family Income	3	<ul style="list-style-type: none"> • Advisor-EFI-1 To • Advisor-EFI-3
	Total		34	

3.2.2.4 Topic guide

In the present study, semi-structured interviews were used because they provide flexibility to address pre-defined topics which seem relevant (interview guidelines). Also, they enabled the incorporation of other issues which emerged in the interaction with the interviewed participant and are open to different sequences of questions. In addition, as Rubin and Rubin (1995) argued, specific questions can be modified according to whom is being interviewed, which was critical given the different groups and subgroups interviewed in this research. Table 2 presents the topic guide applied in the interviews, organised under two aspects of poverty imaginaries. It was created for the interviews with policy makers, but the same questions were made to the researchers, the difference being that in the former case, some of the questions asked for their opinion. From the beginning of the interviews, the relevance of the World Bank in the process was evident, so questions were added for later interviews. Also, questions 5, 6 and 7 were reframed to inquire about the idea that extremely poor people were

different to the rest, and how some evidence showed the contrary. Finally, a specific question was added to inquire about the notion of the non-poor.

Table 3-11 - Topic Guide Interviews.

Poverty Imaginaries	Questions
Examine the construction of the problem (extreme poverty) in these programmes.	1.- Why was poverty a policy priority? 2.- Were other policy alternatives discussed? 3.- What were the characteristics of the poor people (and/or the extreme poor)? 4.- Was the extremely poor people a group with shared characteristics? 5.- Was the Hard-core poverty hypothesis relevant? 6.- In what sense the 'poor as a group' was different from the 'extreme poor'? 7.- In what sense the poor were different to the nonpoor just above threshold? 8.- Was the concept of Human Capital discussed? 9.- What were the most relevant causes of poverty included in the design of the programme? 10.- In relation to those causes of poverty, what was the role of labour inclusion? 11.- Why did the programmes intervene families and not communities? 12.- Was the possibility to enhance the objective population discussed? (On use targeting) 13.- In the design, what was the role of budget restrictions?
Analyse the intervention features of these programmes, particularly the conditionalities and cash transfers.	14.- Why those conditionalities 15.- Why was the co-responsibility of the extreme poor important? 16.- Was that co-responsibility related to the issue of deserving/undeserving? 17.- Why the choice of cash transfers? 18.- Was the morality (or the right) to give (and receive) cash transfers discussed at some point? 19.- Why put women as the main responsible in tackling poverty? 20.- Was CCT's heavy burden placed on women discussed? 21.- What were the reasons behind the compulsory registration on labour programmes? 22.- What were the reasons for using psychosocial support as part the programme? 23.- Did the use of conditionalities and psychosocial support also imply a mistrust the behaviour of the poor? 24.- Was the Cash Transfer strategy used as a way to incorporate poor people into the market discussed?
Assess the notion of 'non-poor', as a goal implied in these programmes.	Note: Later this question was added.

3.2.2.5 Method of Analysis

Regarding the analysis of the information, it is based on thematic analysis. As Maxwell and Chmiel (2014) argue, data analysis in qualitative approach can be divided into two main perspectives, similarity and contiguity. They state that ‘similarity-based relations involve resemblances or common features; their identification is based on comparison’. In qualitative analysis, ‘similarities and differences are generally used to define categories’ (Maxwell and Chmiel, 2014, p.22); in contrast, contiguity involves time and space and the analysis looks for connections between things. Thematic analysis is clearly placed into the first perspective: similarity. Thus, its orientation is substantive, that is, it looks at the meaning of texts and does not focus on the syntax or the structure of the text (Spencer et al., 2014). In this respect, Braun and Clarke (2006) assert that qualitative data analysis can be divided into two camps; on the one side those which are ‘tied to, or stemming from, a particular theoretical or epistemological position’ (Braun and Clarke, 2006, p.78); phenomenological analysis, grounded theory, discourse analysis and others are part of this camp. Conversely, thematic analysis is part of the second camp, in which the type of analysis is independent from the theoretical or epistemological perspectives.

Thematic analysis refers to the systematic search for ‘patterns and clusters of meaning within the data’, where the topics that are identified ‘are progressively integrated into higher-order key themes’ (Spencer et al., 2014, p.271). In the present study, the basic labels were “a priori” ones; that is, they were defined by means of the literature and the relevant concepts of poverty which were involved in the creation of the topic list. Then, during analysis of the interviews, “emergent” labels were added, grounded in the data (Spencer et al., 2014). Some of these labels were a specification of the original labels; others were added due to the new topics that emerged.

According to Spencer et al. (2014), thematic analysis involves five steps: 1) Familiarization, which is the first approach to the data in order to have an overview of the information and identify issues of interest; 2) Initial thematic framework, which encompasses the initial topics (“a-priori”) and includes the themes and subthemes for the “emergent” labels and the research questions; 3) Indexing and sorting. This step involves ‘applying labels to chunks of data judged by the researcher to be about the same thing’ (Spencer et al., 2014, p.282). This step is also called “topic coding”; 4) Reviewing data extracts, which requires the re-assessment of previous labels. This step involves amending certain

labels and reapplying the data to other labels; and 5) Data summary, which involves a re-organisation of the data according to the participants in the study.

Finally, given that the interviews were performed in Spanish, the transcript texts were in Spanish. Thus, the first steps of the analysis were performed in Spanish and only in the writing-up of the analysis specific references were translated into English. A Computer-Assisted Qualitative Data Analysis Software (CAQDAS) was used for analysis, in particular, Nvivo software.

3.2.2.6 Practicalities

Regarding practical aspects, most of the participants were contacted by e-mail in which I presented myself, a brief description of the research and the request for an interview in a place and at a time suitable for them. Only a few interviews were arranged by telephone. Usually, the first e-mail was not enough; therefore I insisted a couple of times more. All the interviews started with the delivery of the “Information Project Sheet”, which explained the project briefly and opened the discussion about the research. I was always open to answering any question regarding what I was doing (see appendix). Then, I asked to sign the “Consent Form for the Project”, which has the option of allowing the researcher to use the participant’s name in the research study (see appendix); all the participants were tape recorded; after their explicit permission, both verbally and in the consent form.

The interviews were planned to take one hour approximately. The shortest one was 26 minutes; the longest was 1 hour and 35 minutes. Most of them lasted the allocated time. All the interviews were conducted in places chosen by the participant, usually their offices in office hours; only one was done online because the participant lived abroad. Three interviews were carried out in public spaces such as cafes or bars. Only one interview was conducted in Concepción, a city in the south of Chile, whilst all the rest took place in Santiago. The first interview was made on the 29th of September 2015, and the last one on the 5th of January 2016.

Chapter's Conclusion

In this chapter, the theoretical and methodological frameworks of this research have been described. Regarding the theoretical framework, the main elements of the CPE, a post-disciplinary approach developed by Jessop and Sum were presented. In particular, it was argued that this approach is suitable for the analysis of specific public policies such as the CCTs, and the elements which are needed for these analyses were discussed; that because CPE has usually been mainly used in broad accounts of capitalist social formations. As shown, the main advantage of the CPE is its capacity to examine semiotic and extra-semiotic processes in an integrated way. This is relevant because, as it has been argued, the several analyses of the CCT programmes do not give much attention to the role of the ideas about poverty, putting aside longstanding debates about poverty which are relevant for the design process of the two CCT programmes.

In comparison with other frameworks, in particular regarding New institutionalism, CPE is a framework which can be adapted for the analysis of public policies design. As it was presented, the concept of Economic Imaginaries and the interplay between the three Evolutionary Mechanisms and the four Selectivities provide this framework with the required tools for an analysis of public policies; and that kind of analysis for limited policies, not only for policy's paradigmatic change, as the Constructivist Institutionalism. Moreover, with the CPE it is possible to analyse public policies in one country, which is a key advantage in comparison with the approaches related to the Power Resources Theory, which usually required comparative data.

Undoubtedly the main advantage of the CPE for this research, and for other with similar characteristics, is the capacity of integrating several insights in a coherent framework. As it has been presented in this chapter, the Structural Selectivity allows the analysis to recognise the several constraints over which the public policies are designed; likewise, the Agential Selectivity enables research to consider the role of the actors in the policy process. The Discursive Selectivity incorporates the semantic order to the analysis in which the public policies are designed. Finally, by the means of the Technological Selectivity, the CPE includes the assemblages of knowledge, governmental rationalities and other aspects which also play a role in the configuration of public policies.

Also in this chapter, the main issues of the methodological approach were discussed, particularly in relation to the use of elites' interviews, the topic guide used in the 34 interviews and the categories used in the sample. Discussing the theoretical and methodological issues in a single chapter was not only done due to space constraints; it was also done because the CPE framework already sets the boundaries of the research approach. This theoretical framework is explicitly based on critical realism which has in the "retroduction" component its proper research approach in search of the underlying mechanisms necessary to explain what is observed. The use of the interviews, and in particular the topic guide, were designed to search for those underlying mechanisms regarding these two specific Chilean poverty programmes.

Chapter 4 – Construction of Poverty as a Problem

Chapter's Introduction

In this chapter, the way in which the concept of extreme poverty was constructed as a problem in the Solidarity Chile (SCH) and the Ethical Family Income (EFI) will be explored. Here it is discussed why extreme poverty was identified, by both governments, as an important social problem which has to be tackled by a specific policy. This will be explored by means of examining the role of presidential decisions in both programmes. First, Ricardo Lagos and his attempt to provide his governments with a symbol of social inclusion; then, Sebastian Piñera, who found in his poverty programme a way to deal with the pressing problem of inequality and low wages in Chile.

The second section of the chapter discusses the diagnosis that each programme had regarding poverty and extreme poverty. Both programmes are separately analysed because, as is presented regarding EFI, the main diagnostic of this programme is the shortcomings of the SCH¹⁰². In the case of the SCH, the “hard-core” poverty hypothesis is discussed as a key diagnostic of the programme. Then, the shortcomings of the public programmes targeted to extremely poor people are presented, together with the critiques made by policy makers regarding the wrong approach of past policies targeting people in extreme poverty. With respect to EFI, its main diagnostic was the failure of SCH in tackling extreme poverty – it lacked a comprehensive strategy on labour inclusion. Then, other questionings to the SCH strategy made by EFI designers are addressed, i.e. that the claim that it was “assistentialist” and that its intervention was not tailored.

Regarding the place of this chapter in the whole thesis, it will discuss the “variation mechanism” of the “construction of poverty as a problem”. From the CPE, this means discussion regarding the crisis which led to the emergence of the idea that extreme poverty should be approached from a different perspective, i.e. with a new programme. This chapter will show that there was no crisis in a strong sense; instead, there was a sum of related critical diagnostics regarding poverty and previous policies.

¹⁰² In fact, in one of the few examples from the literature about both programmes, they were presented separately (Larrañaga, Contreras and Cabezas, 2015b).

4.1. The presidential decision

The design process of both programmes started by the presidential decision, but with some important differences between them. The most evident, although not the most relevant, was their presence in the government programme. As it will be shown, both governments aimed at eradicating extreme poverty, but due to different political reasons. In the case of Lagos' government (SCH), he positioned his administration as a centre-left with a social justice agenda; in the case of Piñera, he wanted to provide an answer to the growing debate about inequality and low salaries in the country.

4.1.1 - Solidarity Chile - Presidential decision

The policy making process of SCH has been widely analysed, and one of the conclusions of those analyses is the key role played by President Lagos in the starting moment and the definitions of some of the key elements of the programme (Martínez Franzoni and Voorend, 2011; Osorio, 2014b; Pribble, 2013; Puentes, 2009; Ruz and Palma, 2005). In 2000, Lagos was appointed the first socialist president since Salvador Allende¹⁰³; therefore, there were high expectations for a less liberal approach to social policies. However, there were no signs of a more inclusive welfare regime and, as one interviewed politician suggested, 'after two years [... 2000 and 2001], the President would talk about modernisation, technology, internet. It was like a narrative from the future, very typical of him' (Politician-SCH-4). Specifically about poverty, in Lagos' government programme there was no explicit reference to a particular policy proposed in this respect. (Larrañaga, Contreras and Cabezas, 2015b; Osorio, 2014b; Puentes, 2009).

Two important contextual elements must be highlighted. The first one was presented in Chapter One; Chile and other Latin American countries experienced the Asian economic crises in the second half of the nineties. This resulted in an economic recession and a rise in unemployment. In those circumstances, within the Concertation coalition some party members cast doubts about the type of social policies that Chile had at the time (Garretón, 2012; Heine, 2001). The second element is more relevant to the discussion, and is related to the fact that the trajectory of extreme poverty indicators showed a stagnation in its decline of between 1996 and 2000: this figure remained between 5.6 and 5.7 percent. That is the so-called "hard-core" poverty.

¹⁰³ Politically speaking, the first two Concertation Presidents were members of the Christian Democracy party, the more centrist party within the "Concertación" Coalition. (Garretón, 2012).

Politically speaking, President Lagos' decision of implementing a poverty programme was, as a politician said, 'to make a change, rather than an adjustment, it is a change in his (Lagos) social agenda' (Politician-SCH-4). Moreover, with that change, he tried to adopt a more progressive discourse that could give his government a more socialist image and advance on social justice issues. As some interviewees argue, this move was a signal for his own political supporters at the left wing of the "Concertación" coalition. Also, this move was done as a statement that would define his government.

What President Lagos firstly does, or an emphasis from his political imaginary ...his own political paradigm, is to give a strong signal inward, that is, towards the progressive [world] and leftist world, with a social agenda that would be stronger than the existing one until then. (Politician-SCH-4)

When President Lagos takes office, his manifesto did not say 'we are going to do CHS.' At the end of the day, I think it had a lot to do with aiming at a social policy as a "symbol," ...say, with a social imprint of Lagos government. (Advisor-EFI-1)

Several analyses of the policy process of the SCH coincide in qualifying this as a top-down process, without any participation from the citizens. The programme is the result of two separated technocratic processes within the government, which emerged from the assessment made by the Ministry of Planning on the one hand, and by the Budget Office, on the other (these are going to be described later). In that process, President Lagos had a central role, giving political priority to the poverty problem and later, taking some decisions regarding the programme (Frenz, 2007; Martínez Franzoni and Voorend, 2011; Palma and Urzúa, 2005; Pribble, 2013; Ruz and Palma, 2005). One key issue was that there were no signs of a major crisis in the social policies, nor an explicit and specific social demand about poverty from political actors; the only concern was the stagnation of extreme poverty rates showed by the indicators, but that concern was limited to the governmental elites or academics.

But clearly, there was neither an explicit social demand of popular actors, nor was there a major crisis, in particular, where one could say 'here everything is being screwed up.' (Researcher-5)

The political priority given to the extreme poverty problem by president Lagos was expressed in the change of the Minister of Planning in January of 2002, before the policy making process of the SCH had even started. The new Minister, Cecilia Perez, took office with the main task of developing a poverty programme (Puentes, 2009), and she had to delegate other important functions in that ministry in order to design and implement that programme.

The President specifically mandated me, on January 7th 2002, that is, four months before his 21st May Public Speech, regarding the indigenous issues, 'Well, you are still the Ministry, but the work is actually done by the Under-Secretary, and I want you to attend to poverty.' (Politician-SCH-4).

When she starts [started] working in the Ministry, Cecilia [Perez] tells me 'No, President Lagos entrusted me a very concrete thing. I have to install CHS, or I have to install this system that had no name yet.' (Bureaucrat-SCH-2)

4.1.2 - Ethical Family Income - Programme of Government

The origin of EFI was also a presidential decision, but a different one because it was proposed during Piñera's presidential campaign. For Piñera, two elements were at stake in relation to poverty. The first one was the realization that, despite the Lagos' promise and the existence of SCH; in words of a minister in Piñera's administration, 'It was not possible to end the scourge of extreme poverty in 2006' but it was recognized that during President Lagos' period, extreme poverty fell from 5.6% to 3.2%' (Kast, 2013, p.20). The outcome in Bachelet's government was even less auspicious, as poverty levels increased. The second element was the growing discussion about inequality, which resulted in a plea for an "ethical minimum wage" by a Catholic Bishop. As Larrañaga and his colleagues assert (2015b), two political elements were involved in the promise to eradicate extreme poverty. One was the possibility to demonstrate that a centre-right government was more effective in overcoming the poverty; the other one was that 'for center-right thinking in Chile, overcoming poverty tends to be the greater goal of social policy; and it is no accident that this has been reflected in the priorities of this administration' (Larrañaga, Contreras and Cabezas, 2015b, p.58).

At the time of the presidential campaign, the most recent data available were for the year 2006, with 3.2% of the population living in extreme poverty¹⁰⁴ (MDS, 2011). Thus, candidate Piñera states in his campaign programme: ‘there is a lack of a better state, one which gives urgency to combat poverty’. In his view, ‘to set as a goal for the country overcoming extreme poverty in 2014, and poverty by 2018’ (Piñera, 2009, p.69). To fulfil that goal, he proposed a redesign of related policies, an improvement of the Social Protection Record (a proxy test-mean) and an increase in the participation of civil society. In particular, the Ethical Family Income (EFI) programme was proposed, which encompasses some of the existing subsidies in order to increase the income. This programme required certain actions related to Health, Education and Labour Activation¹⁰⁵ (Piñera, 2009; Ruiz-Tagle, 2011).

What Piñera did with his proposal of Ethical Income was, to a certain extent, a reinterpretation of what was said by Chief of the Episcopal Conference of the Chilean Catholic Church, Bishop Alejandro Goic in 2007. The Bishop argued for the need to transform the minimum wage into an “ethical wage”. In the context of an important strike by the subcontracted workers in the copper mining industry and a legislative discussion over minimum wages, Goic stated that all of the employers who can afford it should pay 250.000 CLP per month as an ethical wage, which would be a first step towards creating a more equal society¹⁰⁶. With this declaration and the symbolic act of setting an amount, the Bishop triggered public and academic discussion on inequality and low wages in Chile. That intervention resulted in president Bachelet’s call for the creation of a ‘Presidential Assessor Council on Labour and Equity’ in 2007, and later in the presidential campaign, Piñera’s proposal for a new programme (Huneus and Repetto, 2013; Sanhueza, 2010). This link between Bishop Goic’s plea and Piñera’s programme is recognised by the policy makers of EFI, mainly in the sense of highlighting the need of an increase in the incomes of families (Kast, 2013; LyD, 2013).

4.1.3 - Policy makers in charge of the design

The actual design of the programmes was carried out by specific policy makers into the government. In the two policy processes, the main responsibility was taken by the Ministry of Planning (MIDEPLAN)¹⁰⁷. Although, in the case of SCH, the Budget Office and the Presidential Office had also an

¹⁰⁴ Later in 2010 a slight increment in poverty indicators for the year 2009 was calculated: 15.1% for poverty; 3.7% for extreme poverty.

¹⁰⁵ In the government programme, there is no reference to counselling, nor access to the public offer.

¹⁰⁶ In comparison with the Minimum wage of that year, those 250.000 CLP represented an increment of 57% (Larrañaga, Contreras and Cabezas, 2015b, p.59).

¹⁰⁷ In Piñera’s government the Ministry change its name to Social Development Ministry.

important role in the design of the programme. The literature about the policy making of SCH highlights the participation of different actors; in particular, each of those came with specific diagnostics concerning the poverty situation and the social policies. A first group, into MIDEPLAN-FOSIS, developed an 'Integrated Strategy in favour of families in extreme poverty'¹⁰⁸, which drew attention to the particularities of the extremely poor families and the "hard-core" poverty hypothesis. A second group, from the Budget Office (DIPRES), was working with some experts from the World Bank (WB) in an initial attempt to develop a sort of Social Protection System. Their main concern was the efficiency of the social policies targeted to poor people. A third group was formed by advisors in the Presidential Office, who sought the possibility to create a cash transfer system directed to the extremely poor (Ruz and Palma, 2005; Frenz, 2007; Martínez Franzoni and Voorend, 2011; Palma and Urzúa, 2005; Puentes, 2009).

In the next sections, each of these assessments and proposals that shaped the SCH will be discussed. Two aspects need to be underscored. First, as the literature on the SCH suggests, the policy design process was developed by technocratic groups in the government with no social participation; the exception was the participation of a few academics and researchers from some think-tanks that were close to either the government or the official political opposition. Second, the role of the President was not only to set poverty as a priority; he was also crucial in defining the timing of the design, and in asking policy makers from MIDEPLAN-FOSIS and DIPRES to coordinate themselves and generate a final design for the SCH programme (Ruz and Palma, 2005).

And then, the President commended MIDEPLAN and us [DIPRES] to develop a proposal [...] so that we could present it, it seems to me, on his 21st May Public Speech in 2003 [2002]. (Politician-SCH-3)

In the end, we agreed on a text that satisfied everyone. To a large extent, the President was open to a more comprehensive view of the subject. (Politician-SCH-3)

The EFI design process seems simpler, and this is true at least in terms of the institutions that participated in it; it was devised in the Ministry of Social Development. However, during its design – 2010 to 2012 – the Minister was replaced, and various team members in the Ministry left and others

¹⁰⁸ See MIDEPLAN (2002b).

arrived. Nonetheless, certain key people stayed in the Ministry for the whole period. Initially, the idea to create an Ethical Income was not related to the replacement of the SCH, and was closest to a Negative Income Tax, in that it complements the incomes of the families to reach to the 250.000 CLP stated by the Bishop Goic. It was at some point in the first year of Piñera's government when both ideas merged, and the group that tried to develop a Negative Income became less active and vanishes.

It is the result of a lot of clumsiness of a first government that makes many mistakes. Nevertheless, the first government teams highly valued SCH, which was surprising, in my opinion, and what they did was to suggest some adjustments. After that, the government started to stumble, [...] and so changes started to take place ...here ...there, and so on. To the Ministry team there arrived people who had a narrow understanding of poverty and little experience. (Bureaucrat-Both-1)

In a first phase, the programme was thought as something almost exclusive. It was thought as a matter of transfers, which some even thought it as a negative income tax, nothing else. (Bureaucrat-EFI-2)

As far as I understand, they started a formula which was quite unreal. An idea of optimal transfer, in which you could eventually have said, "look, if the poverty line is X, and then, if we enter the exact income of each household, we will know exactly what level of transfer you need to put everyone on the poverty line", right? (Advisor-EFI-1)

The beginning of the programme was the "Social Allowance" of EFI, which was approved by the Budget Law in 2010 (to start in 2011), and was assigned to the people who at that moment were enrolled in the SCH, as an intermediate step and a pilot programme, whilst the final design was discussed, and the law was approved by the parliament (Hench and Troncoso, 2013). In order to approve that "Social Allowance", the Parliament required the conformation of an "Expert Panel" which would provide advice regarding the design of the programme. If the people who attempted to create a Negative Income policy was the first group, the "Expert Panel" was a second group, which advised the third and most important group because they actually designed the programme: this third group was formed by professionals, coordinated by the Undersecretary, and had little or no experience in public sector. This group was part of the Social Development Ministry and received support from the Budget Office and the Labour Ministry regarding specific matters.

4. 2. Diagnostics about poverty and policy. Constructing the Extreme Poverty as a Problem.

4.2.1 - Solidarity Chile - Hard-Core Hypothesis

The situation of poverty in Chile played a major role in the construction of the poverty problem in SCH, as the programme was built to face the so-called “hard-core” poverty hypothesis. As was described, the country experienced a sharp decline in poverty rates and extreme poverty during the nineties. According to official statistics, if the poor represented almost 40% of the population in 1990, this figure had dropped to 20.2% in 2000. In the same period, extreme poverty fell from 13% to 5.6% (MDS, 2011). However, in the year 2000 and even before that, the downward tendency in extreme poverty levels stopped in 1998, and in the year 2000 extreme poverty rates were statistically identical to those reported in 1996 (5.6%). (See table 1).

Table 4-12 - Chile: Population living below Poverty and Extreme Poverty lines. (Percentage of population)

Year	Poverty	Extreme Poverty
1990	38.6	13.0
1992	32.9	9.0
1994	27.6	7.6
1996	23.2	5.7
1998	21.7	5.6
2000	20.2	5.6
2003	18.7	4.7
2006	13.7	3.2
2009	15.1	3.7
2011	14.4	2.8

Source: Adapted from (MDS, 2011).

This stagnation in the reduction of extreme poverty opened the debate on what was happening (Frenz, 2007; Puentes, 2009). As one policy maker states, even before the survey in the year 2000 had confirmed that stagnation, ‘towards the end of 98, 99, the Committee of Social Ministers was mandated to make a much more detailed analysis of what the numbers were showing in relation to stagnation of poverty’ (Bureaucrat-SCH-4). The consensus in those years was that Chile had experienced two clear-cut periods in the reduction of poverty. The first one, from 1990 to 1996, when the poverty and extreme poverty rates sharply decreased; and then a second period, from 1996 to

2000, when poverty reduction trends declined, extreme poverty became stagnated, and even increased the number of persons in extreme poverty (Feres, 2001; MIDEPLAN, 2004c).

The diagnosis of people who had been observing CASEN Survey stated that poverty fell a lot from 90 to 96; from 98, the reduction of poverty continued but with a less steep slope, and mainly the extreme poverty showed a tendency to stabilise. Then arose the following diagnosis: 'Look, it seems we have reached a ceiling of what would be called "hard" poverty.' (Advisor-EFI-1).

Within a group of specialists, an idea settled, which was the view that Chile had gone through two stages to overcome poverty during the 1990s. One was the accelerated reduction of poverty, starting in 87 and ending around 96. And then, another stage of decreasing rates of poverty overcoming, or stagnation in some cases during 1996-2000. (Researcher-3)

The so-called "hard-core" poverty was 'the hypothesis that this is a population nucleus with difficulties to integrate into the channels of the economy' (Larrañaga, Contreras and Ruiz-Tagle, 2009, pp.6–7). From the government perspective, this meant that it was 'it is becoming more and more difficult to achieve percentage reductions of the nucleus of people and households with incomes below the line of indigence' (MIDEPLAN, 2004c, p.5)¹⁰⁹. Thus, the SCH programme was built to face that "hard-core" poverty (Galasso and Carneiro, 2007; MIDEPLAN, 2004c; Palma and Urzúa, 2005; Puentes, 2009; Raczynski, 2008). Given the consensus over the stagnation of extreme poverty, no particular group was the author of the "hard-core" hypothesis, as it was shared by all the participants. Although, the specific description of the characteristics of the extremely poor, seeing them as clearly different from the rest of the population, that was part of the diagnosis of the MIDEPLAN-FOSIS group. (MIDEPLAN, 2002b).

- *Interviewer: So, is it in MIDEPLAN where this idea of the "hard core" of extreme poverty begins to be shaped?*
- *Yes, but we also talked with the rest [of the government]. There is no specific authorship; but we discussed it a lot. (Advisor-SCH-1)*

¹⁰⁹ At the time of the design of SCH, "indigence" and "extreme poverty" were used as synonyms; the term "indigence" was discarded at a later time.

4.2.2 - Solidarity Chile - Shortcomings of the public programmes targeted to extremely poor people

Under the label “shortcomings of the public programmes targeted to extreme poverty” laid two slight different diagnoses which were at the base of the SCH, but both arrived at a similar conclusion: the extremely poor were not getting support from public policies at the time. The first was from the Budget Office, and it mainly focused on the inefficiency of the public policy directed to extremely poor people. The second, from the MIDEPLAN-FOSIS, it draw attention to the failure in the targeting of the programmes, that without rejecting the first one (Ruz and Palma, 2005).

Regarding the first diagnostic, the Budget Office had been analysing the different social policy programmes during 2001, as part of its task of tracing public spending. They worked around the idea of improving the efficiency of the various programmes, subsidies and other interventions by the state towards the poorest people. Their diagnosis showed that there were many programmes targeted to poor people, and almost all of them were dispersed and lacked coherence between them. Along with that lack of integration, there were ‘disparities between programmes in their eligibility criteria for beneficiaries; absence of a focus on families as objective units (as most programmes were directed to individuals); existence of multiple and unclear “windows” to access benefits’ (Puentes, 2009, p.244).

From the perspective of the Finance Ministry¹¹⁰, we had been following up the social policy for an obvious reason: it was a very important part of public policy and public expenditure. And so, we had a concern about the social policy and its effectiveness. (Politician-SCH-3)

DIPRES [Budget Office], along with the World Bank, was looking at the efficiency of the Chilean social policy. They had identified or diagnosed that there were many scattered programmes without the necessary consistency or cohesion. Besides, in these policies, they had noticed that users were a bit at a loss as to how to access the programmes. (Advisor-EFI-1).

For the Budget Office, what was needed to face the stagnation in the reduction of the extreme poverty was improved coordination between the different existing programmes targeted to poor population,

¹¹⁰ The Budget Office is part of the Finance Ministry in Chile.

and the incipient developed of the so-called social protection system, which could articulate all the initiatives. For that, the Budget Office had been working with the WB, and began to embrace the Social Risk Management (SRM) approach; for the same purposes, they also invited a specialist from Spain to learn from their experience.

At that time, we invited someone from Spain who worked with us for about six months at DIPRES; the purpose was to develop this concept of Social Protection and, in particular, to look for a way in which it would be possible to better articulate the different public programs which initially attended to the same population. (Politician-SCH-3)

Then, the Finance Ministry had a kind of alternative to policy, which was rather aimed at making the use of public resources more efficient. And with that reflection, the Ministry began to be accompanied by the World Bank on how better articulate, better coordinate the resources (Bureaucrat-SCH-1)

The second diagnostic, carried out by MIDEPLAN-FOSIS, was very similar; however, the emphasis at the time was placed on the targeting of the programmes. Thus, it was acknowledged that those public programmes or subsidies had not reached the extremely poor people. The existence of several, unconnected programmes was not problematic in itself; the issue was that the benefits were mainly received by people with income just above the poverty threshold or by people in poverty not extreme, and not by the extremely poor. Previously, the MIDEPLAN standard analyses for the CASEN survey data used the quintiles of the population; that is, the population was divided into five groups and the focus was placed on the first quintile, the poorest one¹¹¹. The innovation was just based on “double clicking” into that first quintile, and seeing what was happening with that extremely poor population. Thus, the MIDEPLAN argued that, ‘although there is a wide public offer of social programmes in Chile aimed at meeting the needs of the poorest in the country, several evaluations carried out by MIDEPLAN and other institutions indicate that social benefits are perceived, in greater extent and with greater intensity by those poor families who are not indigent, rather than by those who are indigent or extremely poor’ (MIDEPLAN, 2002b, p.5).

¹¹¹ See, for example, the standard report of the CASEN Survey results of 2000, regarding the impact in the distribution of social spending; all the results were presented at the level of Quintiles or Deciles (MIDEPLAN, 2000). The analyses on poverty by Meller (1999), a recognised Chilean economist, between 1987 and 1996 were also presented in this way.

The diagnosis was that the poor were poor because they did not have access to the network of services of the state, a disconnected poor. That was the problem. (Researcher-6)

In the analysis of the characteristics of the first quintile, it was not possible to identify what were the unique characteristics of the population that was under the extreme poverty line. Then several simulation exercises were done by applying other criteria that would allow making an intra-poverty analysis, [...] so differences could well be noticed, which, otherwise, seemed hidden [...]. For example, differences in the rate of use of services and the relative income levels of households. (Bureaucrat-SCH-4).

When double clicking, there appeared all those people [extremely poor] who had very different characteristics from the poor. So, CASEN Survey identified them and said, 'Ok, here we have one million people who are in conditions very different and much more critical than the others.' (Bureaucrat-SCH-5).

Even if there were differences in pinpointing the shortcomings of the public programmes, the Director of the Budget Office at that time explicitly embraced the diagnostic associated with MIDEPLAN when he stated: 'we had evidence, for example, that the coverage of a number of programmes, which were supposed to be designed to reach the poorest, but the CASEN surveys would tell us that that was not happening' (Politician-SCH-3). Both groups shared the diagnosis that those public programmes and subsidies were not accurately targeting the extremely poor. The main difference between them was related to where the emphasis of the intervention should be placed, with the Budget Office arguing for a more efficient state intervention and MIDEPLAN-FOSIS suggesting that the state should look for and engage extremely poor people. This issue is discussed in the next section.

4.2.3 - Solidarity Chile - Wrong approach of past policies

In one of the first policy analysis about SCH, Cohen and Villatoro (2006) stated that this programme was originally justified by 'two central assumptions: existence of a nucleus of "hard poverty" or "residual", resistant to traditional social policies and economic growth; and consideration of the isolation or disconnection of these families with the provision of public services' (2006, p.181). A third element must be added to these two elements, one which has not been widely discussed in the literature, that is, the wrong approach of past policies. This element has been subsumed in the

previous ones, but it played an important role in justifying the Psychosocial Support, the decisive characteristic of the two Chilean programmes.

For the policy makers who worked in MIDEPLAN-FOSIS, the disconnection with the provision of public services was to a great extent due to a wrong approach in the programmes at that time, which made poor people responsible for approaching the state and asking for their inclusion in the programmes. Before SCH, these benefits were assigned without any guarantee, and poor people had to apply for them. Therefore, this third diagnostic states: people stayed in extreme poverty because they did not access public benefits, and that occurred because they lacked the necessary information regarding what they were entitled to access. As one bureaucrat who participated in the design of SCH argues, 'it was already proven that the extremely poor did not have the resources as others segments of the population did, that is, they did not have the resources to handle information, which is the main element that allows access' (Bureaucrat-Both-1)

And the pre-eminence of the application factor would definitely leave outside that segment that was the most vulnerable, because it was under the extreme poverty line. (Bureaucrat-SCH-4)

And within that 6%, there was a "Hard-Core" group that had been totally disconnected. It was a surprise to find families who had no idea of anything. They did not even know the municipality, the children did not have an identity card; that is, they were in need of all social benefits and had none. The situation was even worse because we didn't know them, and on top of that, we asked them to adjust to our offer. (Politician-SCH-4)

In order to deal with this wrong approach, not only providing information about the different benefits available for the extremely poor population was required; it was also necessary to change the approach and create an informed demand. In the words of an interviewed politician, with SCH 'it was the first time that we stated that the social policy actively seeks and approaches the citizen, and not the other way around' (Politician-SCH-5). In practical terms, as a SCH bureaucrat states, that meant 'instead of sitting at a desk, waiting for the families to come and ask for a benefit, we would go out and look for them' (Bureaucrat-Both-1).

4.2.4 - Ethical Family Income - Failure of SCH for existence of poverty and not labour

As it was stated before, the presidential decision to implement the IEF programme – the facto replacing the SCH – was argued that because the country still had extreme poverty despite eight years (2002-2010) of governmental efforts trying to change this (with SCH). The main assessment of Piñera's government was that SCH was not working. In fact, for one of the designers of the EFI argued that 'if I had thought that SCH was a programme that worked well, one could perfectly have made that commitment [of eradicating the extreme poverty] with the same instrument' (Politician-EFI-2). For the policy makers of the EFI, in political terms, the only possible evaluation was that SCH had failed in reducing poverty.

I think the most important diagnosis is that the SCH was not working or had not shown results in terms of reducing poverty and extreme poverty. [...] there was a perception that it had not corrected it, that is, it was not solving the problem of poverty. (Politician-EFI-2).

But politically, the only existing evaluation was that SCH had not fulfilled its objectives. We still had extreme poverty. (Bureaucrat-EFI-1).

As has been discussed, the evaluation of SCH by the WB was the only one to report positive results, albeit limited (Galasso and Carneiro, 2007); they found that between 2003 and 2006 this programme was responsible for almost one-fifth of the reduction in extreme poverty in urban areas. However, Larrañaga, Contreras and Ruiz-Tagle (2009) not only methodologically criticised that evaluation, they also found that the autonomous income of the families decreased. Furthermore, these authors found important shortcomings in training and employment of the families in SCH. The designers of the EFI share the doubts with respect to that evaluation by the WB, mainly because of that problematic baseline, and only considered the evaluation of Larrañaga and his colleagues. Thus, the ex-minister Kast stated, 'unfortunately time showed – through evaluations made to SCH – that the programme had failed in increasing the level of income and access to the work of the families attended' (Kast, 2013, p.20). It is fair to say that the doubts about the impact of the SCH in overcoming extreme poverty were shared by others, not only the designers of Piñeras's programme.

Among the main problems of the SCH, there was no relevant evidence that the incomes of beneficiary families actually had increased. In fact, there was even something against it. (Bureaucrat-EFI-1).

There was even a study, by Larrañaga at that time, about the impact [of the policy], which was not well-known, but caused stir among the ones who heard about it. He said that performing as the control group, those who did not receive SCH benefits, had a generation of income higher than those who were beneficiaries of the programme. (Researcher-3).

That failure of SCH in increasing the autonomous income of the extremely poor families was mainly due to the fact that these families were not participating in the labour market. The emphasis on labour inclusion was not only seen as an effective way to overcome poverty, but also, as ex-Minister Felipe Kast stated, ‘every citizen has the right to get out of poverty through their work. Access to a job -or entrepreneurship- is the best way to increase freedom and dignity of those who suffer from poverty on a daily basis’ (2013, p.22). For them, SCH did not address labour issues, only a few basic things; therefore, the programme did not even attempt to make families leave poverty autonomously. This does not mean that all of the components of the SCH have to be thrown away; EFI was built over some of the components and kept the key feature of Psychosocial Support.

The most important element of this perspective of being able to break with the poverty was to have an economic activity, which was not addressed [by SCH] (Politician-EFI-1).

Let me illustrate it this way. It was like the SCH Programme was a very good base, and the EFI would build upon that base. [...] SCH would successfully manage to find the families, and to connect them with the public programmes; but it was not being successful in making those families autonomously get out of the poverty. (Bureaucrat-EFI-1).

4.2.5 - Ethical Family Income - Failure of SCH for Assistentialist and Not Tailored

As has been stated, for the designers of the EFI, the main failure of SCH was its lack of relevance regarding the labour inclusion of the extremely poor. Furthermore, these policy makers also criticised that SCH was “assistentialist”, and that the intervention was uniform. As regards the idea of an

“assistentialist”¹¹² programme, it was claimed that the programme mainly delivered things or goods, all of them relevant given the pressing needs of the families, but in this way SCH only solved their immediate problems. In words of a politician, ‘most actions [of SCH] were palliative things that did not install capabilities in the family’ (Politician-EFI-1). Therefore, the families cannot overcome the poverty for themselves with that kind of intervention, which results in undermining their possibilities to overcome poverty permanently. Actually, the assessment that SCH was “assistentialist” was also shared by a bureaucrat who participated in the design of both programmes, who states: ‘they always thought that SCH was “assistentialist”. In my view, it ended up being like that’ (Bureaucrat-Both-1).

The perception was that SCH was a very “assistentialist” programme. At the end it would solve the problem, [...] but it was not a programme focused on giving families the tools to overcome poverty on their own (Politician-EFI-2).

The diagnosis we had is that the SCH had become a bit utilitarian. If the families lacked a roof, the programme would give them a roof, if they lacked this..., the programme would plug them stuff (Politician-EFI-1).

The last critique to the SCH made by policy makers of the EFI was particularly related to the operation of Psychosocial Support. There was a consensus on the idea the best component of SCH was the psychosocial support (Larrañaga, Contreras and Ruiz-Tagle, 2009; Raczynski, 2008). This positive view was shared by the designers of the EFI; in fact, it remained relevant in the new programme. However, for the designers of Piñera’s programme, the problem with that support was its uniformity; all of the procedures, services and conversations with the families were catalogued as standard. A politician who designed the EFI explains: ‘in SCH the family entered into a kind of track that included counselling, interventions that were the same for all the families, regardless whether that family needed it or not’ (Politician-EFI-2). Consequently, in order to include the singularities of each family, a diagnosis of each family’s situation was required.

¹¹² I anglicise the Spanish word “asistencialista”, firstly because it is extensively used by the elites in Chile, not only for the policy makers interviewed. Secondly, because it expresses the intended meaning in a more accurate manner than its translation: welfare. It refers to the idea that public programmes provide welfare to the beneficiaries, without promoting or developing related skills in the beneficiaries; therefore, it is usually opposed to promotion, so programmes either assist or promote. “Assistentialism” is preferred here because it stresses the idea of providing direct support in these terms; welfare would include more benefits than the little assistance provided in Chile.

But psychosocial support is really important; maybe I have not talked about that very much, but in fact, I think the best component of the SCH was the Psychosocial Support. And while it was perfectible since I did not see work because it was very standard and so on, I believe that, in the end, it generated something very important in the families (Politician-EFI-2).

Chapter's Conclusion

In this chapter, the main elements in the construction of extreme poverty as an urgent problem to deal with were discussed, which provided the starting point in the design process of the two Chilean CCT Programmes. As it was showed in the first section of the chapter, politics played a major role; in SCH, President Lagos attempted to change the course of his administration and give a stronger role to the social agenda, putting extreme poverty in the spotlight. On the one hand, in the case of the second CCT programme, the goal was to show that a right-wing government would be more effective in overcoming extreme poverty, something others had failed to accomplish. On the other hand, focussing on poverty was an important political sign because it could reset the social agenda and move it away from the discussion on inequality and low salaries, which are not the kind of topics typically discussed by Chilean centre-right circles; focussing on poverty moved the agenda to areas in which the centre-right is more comfortable.

The most relevant assessments of poverty and social policies were also presented, which were the basis for the construction of extreme poverty as a problem. Each of those diagnoses has repercussions on the specific features of the programmes, but also in the characteristics of extremely poor people included in these two Chilean CCTs (next chapter). Thus, the “hard-core” poverty hypothesis not only suggested the design of a specific programme, it also implied that extremely poor people were a particular group with specific characteristics, which made them different to the rest of society. EFI, with its focus on extreme poverty, also shared the interpretation that the extremely poor are different to the rest. The shortcomings of the public programmes targeted to this population explain the adoption of Psychosocial Support in both programmes; it also involves the notion that extremely poor people require guidance to overcome their situation. In the specific case of EFI, the critique related to the lack of a comprehensive strategy of labour inclusion justified the specific concern about autonomous income in this programme, which also carries the notion that individuals are ultimately responsible for their wellbeing and that the role of the state is only subsidiary.

As has been discussed in the theoretical framework (Chapter Three), crises usually play the crucial role of triggering a variation mechanism. However, as this Chapter shows, the poverty situation or the social policy did not reach a crisis when the two programmes were planned; instead, the programmes' design was triggered by the political decisions from the presidents to put extreme poverty in the

spotlight. In this process, agential selectivity was crucial, given the role of both presidents in setting the agenda. Regarding the diagnostics, there was a discursive construction of the extreme poverty problem in which several strands were put together, with its own causalities and interpretations of what was happening. Those specific diagnostics converged in the more abstract notion that extreme poverty was a pressing social problem. In the case of SCH, the three specific diagnostics of the “Hard-Core” poverty, the lack of engagement by the extremely poor with public programmes and the wrong approach of past policies played a part in justify the programme. Similarly, in the IEF programme, the specific evaluations of the previous programme’s failures were added to justify the need for a new policy.

In that discursive and agential construction of extreme poverty as a problem, the moral judgment of poverty played an important role. Both presidents and their policy makers were compelled to do something, to at least alleviate that unacceptable hardship which any poverty condition supposes, even more with extreme poverty. If this point has not been discussed so far, it is not because the ethical considerations were absent; it is because that is given in any poverty debate, as Spicker (2007a; b) argues, and even visually shows it, whatever the concept of poverty, it always carries the notion that it is an “unacceptable hardship”.

Chapter 5 – Construction of the Characteristics of the Extremely Poor

Chapter's Introduction

The previous chapter discussed how poverty was regarded as an urgent problem and what the main diagnostics about the poverty situation in Chile were, aspects that contributed to triggering the policy design process. This chapter advances the examination of the construction of poverty as a problem. In particular, the Selection Mechanism is discussed; that is, which interpretations or discourses were privileged to understand extreme poverty in the country. Following Sum and Jessop's (2013) hypothesis, semiosis and extra-semiosis played a role in the selection mechanism; consequently, the four selectivities are involved.

In the two Chilean CCTs, policy makers selected three key elements to characterise extreme poverty as a problem, namely, 1) the extremely poor as a specific group; 2) a "want-based" approach to the causes of poverty; 3) the focus on families. Thus, the first section discusses the configuration of the extremely poor people as a specific group, showing the discursive elements related to what were the characteristics assigned to this group. Also some extra-semiotic elements such as the budget constraints and the use of targeting technologies are examined, elements which reinforced the understanding that the deprivation was confined to a particular group, different and sometimes isolated from the rest.

The second section examines how the causes of the extreme poverty were understood by policy makers in both programmes. In general terms, poverty is caused by what makes the difference between the group identified as poor and the rest; that is, the want-based approach. Thus, both Chilean CCTs focus on the lack of human capital as the main cause of poverty, to which the several characteristics of the extremely poor people described in the first section are added, as they can also be seen as causes. In this section, it is also discussed how the extremely poor are psychologically characterised.

The third and final section scrutinise the role assigned to the families in the reproduction of poverty, a key element of any CCT programme. Here, the discourses related to the diagnostics about the families and poverty and how poverty is reproduced in the families are analysed. Furthermore, the role played by some policy makers in putting the families at the centre of the SCH intervention are underscored, a role that is reinforced by the World Bank (WB) and the CCT Model.

5.1 – The Extremely Poor as a specific group

Both programmes were built on the premise that extremely poor people are clearly different from the poor – the group immediately above in the income scale – and were thus different from the rest of the society. This distinction is the central premise of the “hard-core” hypothesis of Solidarity Chile (SCH), and it is also the key assumption of the Ethical Family Income (EFI) and its primary focus on extreme poverty. This section addresses four topics: first, the main characteristics assigned to the extremely poor people are presented, exploring the discourses used by the policy makers to describe them. Second, the role played by the targeting in the conformation of the extremely poor as a group with particular characteristics is analysed, critically discussing how the data of the Panel-Casen survey questioned the “hard-core” hypothesis of the SCH and the search for the deserving poor in EFI. Then, the third and fourth sections examine the way in which the budget constraints and two specific technologies, contributed to reinforce the idea that people in extreme poverty formed a specific group.

5.1.1- Main characteristics of the Extremely Poor group

5.1.1.1 - Many shortcomings – Both programmes

In both programmes, the lack of income for the most basic needs was at the core of the characterisation of extreme poverty as a problem. For example, a policy maker of the SCH stressed the urgency of the situation: ‘we are talking about households whose autonomous income level was the lowest of all. In other words, we are talking about those who cannot “get to the end” of the month’ (Bureaucrat-SCH-4). In EFI, the concern for the lack of money was explicit, according to a politician who explained the “dignity” part of the cash transfers (see the first section of Chapter Seven), stating that ‘here one assumes that the family needs to have income and that income is not intended to make them participate or anything, but it is income for them to eat. In the end, it is a matter of survival’ (Politician-EFI-2).

As it was presented in the previous chapter, a key innovation in the data analysis was to break away from the analysis of quintiles, double-clicking on the first quintile and carrying out an intra-poverty analysis. For the policy makers of the SCH, those analyses showed that this segment not only had less income and lacked connection with public programmes, but also had characteristics which turned

them into a specific group. In this respect, a bureaucrat of the programme states that ‘there was definitely a shortage of human capital, [...] children who were untied from the school [... also] children who were not registered in a clinic or local health centre’ (Bureaucrat-SCH-4). It is also highlighted that these were families who faced the burden of relatives with chronic diseases, disabilities or other issues which go beyond the ability to find or not a job.

Families whose members had chronic diseases; disabled people [...]; they were definitely in a much more deteriorated condition than the group that came immediately after, that is, the non-indigent poor. (Bureaucrat-SCH-5).

It was assumed that you were working with families in extreme poverty, where there were problems that would go beyond the simple difficulty of finding a job, [...] but there were more complicated situations in terms of family life, conflicts, violence, drug addiction, alcoholism. (Advisor-EFI-1).

In a few words, for the policy makers of the SCH, the extremely poor were characterised by many shortcomings which exceeded their lack of income, drawing a clear distinction between them and the poor not extremely poor. A policy maker states that these ‘are people who are out... who are excluded’ (Bureaucrat-SCH-1); that mainly in the sense of been away from the state support (Spicker, 2007a; Lister, 2004). The decisive example of this was the claim, usually made by politicians, that some of them did not have an identity document or even an identification number; in Chile that meant a radical exclusion of any public support, as all social procedures require that identity document.

With these policies, those groups were not going to get out of indigence [situation]. We were talking of very, very low-income levels, and people with very severe shortcomings. (Advisor-SCH-1).

By developing all this dialogue with the families, it was discovered that there were, say, like 25,000 families, where all or some of their members had no identification number; I mean, we took for granted that it had universal coverage, but then we realised that was not the case. (Politician-SCH-3).

The EFI regards the extremely poor people in a similar way to the SCH. This programme did not rest explicitly on the “hard-core” poverty hypothesis, although it shares many of the diagnostics of the SCH. First, as a politician declares, ‘families in extreme poverty are families who have all kinds of needs’; in particular, they considered that ‘we have a high percentage of female-headed household and a high percentage of children, and children who are very young’ (Politician-EFI-2). In addition, ‘there are many women who have become young mothers; therefore, sometimes they have a low schooling level’; finally, that politician adds that the ‘living in quite terrible housing conditions, with no income or with a lot of informal incomes’ (Politician-EFI-2). Given that deprivation in several dimensions experienced by them, for the policy makers of EFI extremely poor families were clearly different from the rest, specifically from the people who are immediately above them; that difference leads to a specific response (intervention). Following the medical metaphor of one bureaucrat, given that extreme poverty is a specific pathology, it needs a particular treatment.

- *Interviewer: Is it still believed that there was a segment of the population who has specific characteristics or deficiencies?*
- *Yes, that was part of the thesis. That idea came from SCH. It was corroborated here [EFI], and it was built on that. (Bureaucrat-EFI-2)*

The problem is that extreme poverty is something like ... I do not know how to say it ... it is awful what I am going to say but it is a completely different “pathology.” Just like extreme poverty is a completely different “pathology” from the homeless. They are treated differently ... the causes are different...the consequences are different (Bureaucrat-EFI-1)

We have to end up with extreme poverty. How do we deal with it? You have to have a special treatment for something that is different from the rest (Bureaucrat-EFI-1).

Although both programmes were designed under the univariate income measures of poverty, the policy makers of both programmes claim that programmes were also based on a multidimensional understanding of the poverty problem. Poverty was more than an income shortfall, as several aspects were considered in these programmes, such as housing, labour, education and health deficiencies. Also, that multidimensionality is at the root of the Psychosocial Support of both programmes.

A multidimensional concept of poverty [...] means that certain resources are needed. Some of them provided by the family itself; others are solved by the Family Counselling (Bureaucrat-SCH-4).

In fact, the IEF is a programme that has a multidimensional conceptualisation of poverty; [...] it takes into account all the other dimensions of poverty [not only income]. And it mainly considers the psychosocial support [...] there is support in terms of health needs, education needs, housing needs (Politician-EFI-2).

5.1.1.2 - Emphases - differences between programmes

As it was shown, both programmes regarded the extremely poor as clearly different from those above them and agreed that they faced many shortcomings in several dimensions. However, there are three differentiated emphases between the programmes: 1) on the disengagement with public programmes; 2) on women's poverty; 3) on the access to the labour market. These emphases reveal differences between these two programmes which resulted in different intervention features. Regarding the first one, SCH emphasised the disconnection of extremely poor people from public programmes, labelled as exclusion by some designers. The policy makers of the EFI did not give that centrality to that condition. That disconnection explains the SCH's component of engagement with public programmes (see the third section of Chapter Seven).

The second divergent emphasis is related to the poverty situation of women, in particular, the diagnostic about the higher proportion of female-headed households in extremely poor families. In a general sense, everybody recognises that many of these families are headed by single women with no partner; however, the policy makers of the EFI made a more clear diagnostic and stressed it¹¹³; in addition, they focused on the number of children in the households, which culturally in Chile their care is understood as responsibility of the women. As it will be shown later (sixth section in Chapter Seven), this emphasis resulted in a specific subsidy of the EFI for women in the labour market.

These are families, for example, with a high percentage of female-headed households. They are families with many small children [...] What one finds there is that these women work

¹¹³ Also, as was presented in Chapter One, the number of poor households headed by women increased in the period between both programmes.

more, and sometimes they have more incomes; but they have so many children that their income is not enough (Politician-EFI-2).

The rate of poverty in women is higher than in men. Also, the female household headship is rather associated to the poverty rate [....]. These women needed specific support to enter the workforce (Politician-EFI-2).

Both Chilean CCTs deemed the lack of employability as one of the traits of the most deprived families. However, they diverge on the reasons why it occurs and in what sense extremely poor people cannot gain access to the job market, which is the third divergent emphasis. The policy makers of the EFI argue that individuals in extreme poverty have less access less to the labour market, and that, in the words of a politician ‘it was a big challenge, which was [due to] either lack of labour skills or they had been away from the labour market for some time’ (Politician-EFI-2). The designers of this programme started with a presupposition of what poverty is and/or the idea that what makes people poor is the lack of economic activity. This element was presented in a less descriptive manner, as an explicit normative statement. For example, a politician states, ‘so, we would ask what is it that withdraws people from poverty? The fact of having a job source, or having an economic activity... having something’ (Politician-EFI-1). People should overcome poverty autonomously, and that was the only sustainable and a way which would dignified them; on the contrary, relying on state support make them dependent and sooner or later those people would come back to poverty.

At the end of the day, it is employment. I am going out of economy to go back to politics. As long as families were able to get an income in the most dignified way...actually, I do not like that way of saying it, but is it clear? That is the best way families can get out of poverty autonomously and not with the help of the State.. (Bureaucrat-EFI-1)

The most permanent way out of poverty would occur when the family got out of poverty on their own, [...] because when ‘someone’ takes you out, then that ‘someone’ leaves and then you fall again (Politician-EFI-2).

One issue which is particular to the approach of the policy makers of the EFI, and not evident in the design of the CHS, is the differentiation between individuals who are able to work and those who are not. This distinction, which is old as the “Old Poor Laws” in Elizabethan England and Wales (see

Chapter Two), is re-enacted here, although its focus goes beyond being physically able to work. In particular, the policy makers of the EFI use four criteria to draw that distinction. First and foremost, education; people who did not finish school or had a lower level of instruction were seen as people who would face difficulties to gain access to the labour market. Second, some people are not able to work because they have to take care of relatives with a disability or a chronic illness which requires looking after. A third criterion to draw the distinction is single parenting, mainly given by the number of children to care for. Finally, the economic conditions of the immediate environment are also considered, particularly in relation to the availability of jobs in a particular area or community.

When there was a severely disabled person in the family together with the fact that the heads of household had very low schooling, you knew it was going to be very difficult that they would generate [income]... where would they leave that [disabled] person so that they could go to work?. (Bureaucrat-EFI-1)

Now, we understand, or we understood, that even if you are very motivated, sometimes you cannot do more. If I live in a very isolated community where the economy is isolating because there is no offer, and if on top of that I do not finish school, then it is very difficult. (Politician-EFI-1).

Summarising, for EFI policy makers, the extremely poor population is divided into three groups. First, the group which is able to work – their body allow it – for which, as it is shown in Chapter Seven, they just need to be incentivised. Second, the group of people who cannot be incorporated into the labour market, because they are not able-bodies (disable, elderly, etc.) or because they have to look after relatives. Third, those who are in the middle, they cannot work now because they do not have the necessary training; but they could start working in the future if they participate in skill-building programmes and are incentivised.

Unlike EFI, the SCH programme did not put the incorporation of extremely poor people into the labour market at the centre of its strategy. As a SCH policy maker states, ‘the programme did not seek to create jobs, nor did it seek as a structuring axis, to improve direct incomes (Bureaucrat-SCH-1). In terms of the characteristics of the extremely poor, these policy makers have a more complex notion of these, which goes beyond the distinction between those who can or cannot work. At the same time, this notion infantilises this population even further. Thus, their have the notion of work goes beyond

the generation of income, as a policy maker explains: 'work has a sense that entails not just having money [....]. It has to do with your motivation and it has to do with what interests to you, it has to do with a perception of yourself' (Bureaucrat-SCH-5). Then, SCH policy makers had important doubts regarding the skills of the extremely poor to successfully enter the labour market or begin a microbusiness; in their view, that required social and labour behaviours which they do not necessarily have. Hence, the employability of these extremely poor people goes beyond the possibilities of a limited programme such as SCH.

Our idea was that there was this person with zero training, and poor education. Zero training in relation with work habits, social and work behaviour such as respect for shifts, arrival on time, tolerance for frustration; self-image, self-esteem, and so on and so forth. That is another programme. We thought we were in that stage, so we could not be in charge of that. (Bureaucrat-SCH-5).

5.1.2- Targeting and Vulnerability – Looking and questioning the specific group hypothesis

5.1.2.1 - Targeting – Use and critiques in general

In both programmes, the objective population was extremely poor people, and the selection of the actual beneficiaries was performed using the means test instruments available at that time: for SCH, it was the CAS II record, and for EFI it was the Social Protection Record. Despite the differences between both instruments, the use of targeting is rarely questioned by the Chilean elites; its use has been completely assumed and embedded in the social policy, mainly under the argument that it makes the interventions more efficient.

- *Interviewer: At the time of being designed, wasn't its targeting ever questioned?*
- *No, no. Nobody even agreed on discussing that point. It was entirely taken for granted. (Advisor-SCH-1)*

The problem of targeting in Chile is very, very much in the DNA of Chilean social policy because it is embedded in the [CAS] Record, which is basically giving a score and discriminate between those who do and those who don't. (Advisor-SCH-3).

The criticisms usually come from academics and analysts. For example one argues that ‘it is the over-individualisation of the social policy [...] this was like ultra, hypertargeting’ (Researcher-4). This results in the dismissal by Chilean social policy makers of other aspects aside from what these means-test compute. Consequently, given that the person is reduced to his/her income, the obvious option was the cash transfer. The principal criticism towards the use of targeting in these two CCT programmes is its arbitrariness in discriminating who is entitled and who is not, as a researcher asserts: ‘it has to do how you decide where to make a cut off, why some are left inside while others outside. The cut is so arbitrary’ (Researcher-1). Others highlighted that the use of mean-tests has resulted in the reproduction of a segregationist market system that focuses only on individuals or families and separates families in the same neighbourhoods, disregarding the high probability for these families to share the same characteristics. And that is something which also came from, or is reinforced by, the familistic logic of the CCTs, adopted by the two Chilean programmes. The SCH and EFI rejected the intervention in communities and fully relied on what a researcher jokingly refers to as the “little model”, the means-test which would accurately indicates who is in need, and who needs less.

Well, let's say hypertargeting which ignores that people are not only what they have but also, they are what they do every day and how they live in those places; and they are where they work as well. When you ignore all that [...], you say, this person belongs to “low income”, so I transfer them. (Researcher-8).

[The targeting] contributed to “sanctify” the segregating market model [...]. And it was visible because when I started to go to the field, what I discovered was that we would see the SCH ladies in the neighbourhood X, and in one house the lady was [in SCH], in the next two houses, the ladies were not; in the next one, they were. So, what is this all about? Are we talking of the same houses and the same people? (Politician-SCH-5).

[People would say], ‘You know what? Go and see my next-door neighbour who is actually poorer than me.’ [And we would say] ‘No, no, no. Because you qualify, and your neighbour does not. I have this “little model” and “the little model” says it is you who qualify. Believe me it is YOU’. So, that is totally the result of a logic of CCT programmes, which is this ultra-focusing on households (Researcher-4).

5.1.2.2 - Panel-Casen – Questioning the Hard-Core poverty in Solidarity Chile

In general terms, the availability and use of the technology of CAS Record (means-test) allowed the SCH policy makers to thought and found the group with specific characteristics which had been predicted by the “hard-core” hypothesis; this is the group formed by the lower 5.6% of the population, or 225,000 families. Thus, for the cut was only necessary the the CAS Record databases. What is interesting, regarding the “hard-core” hypothesis of SCH, is that at the moment of its creation the Planning Ministry carried out a longitudinal study which to a large extent contradicted that hypothesis, as it denied the idea of the existence of a group – the extremely poor – with particular characteristics that made them clearly different from the rest.

In 2002, shortly after the Solidarity Chile was announced, the first Panel-Casen results were known. The study covered two points (2001 and 1996), with a subsample of the Casen survey of 1996, and re-surveying the same families in 2001 (MIDEPLAN, 2002a). The document presented the basic information of the “hard-core” hypothesis, and explicitly argued that ‘these data, as we have seen, have led to pose a kind of "stagnation" of the homes in conditions of poverty and indigence. However, the panel survey provides evidence of the phenomenon of poverty rotation, which, far from building a stable situation and affecting the same households and individuals, it is highly dynamic’ (MIDEPLAN, 2002a, p.7). In particular, it showed that out of the 4.8% of extremely poor households in 1996, only 1% remained in extreme poverty in 2001; a 1.9% were poor not extremely poor, and a 1.8% were non-poor in 2001 (MIDEPLAN, 2002a, p.7). In other words, out of the total of extremely poor households in 1996, only 21.7% of them remained in that condition, 40.5% moved to poverty not extreme, and 37.8% in 2001 was classified as non-poor (MIDEPLAN, 2002a, p.9).

As a former advisor who worked in the Planning Ministry states, ‘the Panel's survey was a study that contradicted the principles underlying the diagnosis of SCH programme. [...] But of course, what that study showed, in fact, was that there was a huge turnover’ (Advisor-SCH-2). The recognition of poverty dynamics¹¹⁴, is an important criticism to the SCH and, by extension, to other CCT programmes that are also circumscribed to specific populations. Regarding the SCH, extreme poverty was not so “hard” and the threshold was much more permeable, with families moving across different categories.

¹¹⁴ For poverty dynamics in general, see Spicker (2007b), Harriss (2009) and Rank (2016).

Besides, when you start analysing variability, the Panel survey is taken into account. And you find out that, there are a lot more people who go through a poverty situation; that is, with the Panel survey you realise that the “hard” poverty is not so hard (Politician-SCH-1).

It is not easy to pinpoint when the draft results of the Panel survey were known by the policy makers of SCH. Some say that they were only known after the first stage of design; others assert that those results were extensively reviewed by MIDEPLAN's people and were put away because they contradicted the discourse already installed about “hard-core” poverty and the group with particular characteristics. That diagnosis had gained space among the policy makers from the Finance Ministry, the WB and the Presidency. It also gained relevance because the “hard-core” hypothesis allowed these policy makers to delimit the intervention only to these 225.000 families, thus reducing the amount of resources allocated to it. However, the challenge posed by the Panel survey was huge, as is confirmed by the response that a policy maker gave regarding this issue; indeed, they did not have all of the answers.

- *Interviewer: But who knew the Panel Survey?*
- *Well, Leonardo was inside... Cecilia Perez knew it and Veronica Silva knew it¹¹⁵. The problem is that knowing it would “divert” their discourse precisely because what this study show[ed] is that there [was] no hard-core, and that people go in and out, in and out (Researcher-5).*

[The Panel Survey] questioned the thesis of ‘hard’ poverty. It questioned the idea of “strange” and “ultra-strange” people. It was not given much publicity at that time. I even remember that in those few months that the results came out, I downloaded them, but suddenly that they disappeared from the website by the time President Lagos was making announcements. (Researcher-3).

- *Interviewer: Which was quite more permeable. Wasn't that discussed at that time?*
- *What happens is that you have to think, I believe, you have to think of SCH as an innovative programme; and a programme that generates innovation does not have all the answers, and not all the answers were there (Bureaucrat-SCH-1).*

¹¹⁵ The interviewee is referring to the Chief of the Social Division, the Minister and the first Executive Secretary of SCH, all of them working for the Planning Ministry at the time.

A couple of years later, the evidence provided by that Panel survey clearly eroded the “hard-core” hypothesis discourse, and SCH moved towards the concept of vulnerability¹¹⁶. This change incorporates that evidence ‘that, on the periphery, you have a lot of families that were going in and out. So, it is a “belt of vulnerability,” so to speak’ (Advisor-SCH-2); but also incorporated what the WB was advocating in his Social Risk Management (SRM), already discussed in Chapter One (Holzmann and Jørgensen, 2000; McKinnon, 2004). Thus, the concept of vulnerability was incorporated in the later years of the Lagos administration and the Bachelet’s government (Hardy, 2011; Martin, 2012; MIDEPLAN, 2009). Additionally, the idea of vulnerability was the base for a new targeting instrument enacted in 2007, the Social Protection Record¹¹⁷, which focussed on the capacity to generate income, and emphasised the education of economically active people in the household, the number of dependents, and other aspects.

5.1.2.3 - Social Protection Record – Targeting in Ethical Family Income

The Social Protection record was the means-test when EFI was designed and introduced. Like the CAS Record, it was based on household information and sought to discriminate who was entitled to receive state support; therefore, it carried similar problems regarding its arbitrariness. The policy makers of the EFI strongly criticised this targeting instrument, but for entirely different reasons. In their opinion, it was not working properly, which made it reach the wrong people, i.e. undeserving poor. Despite the illustrative examples given by the policy makers of the EFI, it should be noticed that the Social Protection record was conceived to measure vulnerability whilst EFI was looking for extreme poverty, which could explain part of the error.

In our view, the diagnosis is [was] that the Social Protection Record was not working. For you to have an idea, [...] in the first quintile, 50% of the population is there. But obviously there was a distortion of the instrument, [...] that is, if within the 20% most vulnerable people

¹¹⁶ This research focuses on the design moment of these two Chilean programmes, and this later change of SCH goes beyond the scope of the present study.

¹¹⁷ (Herrera, Larrañaga and Telías, 2015; MIDEPLAN, 2010). Between the “CAS record” and the “Social Protection record”, the Government implemented another test-means which was an update to the CAS Record, and it lasted only a couple of years. It was labelled “Family record”. (MIDEPLAN, 2004a).

according to the scores] you have surveyed 50% of the basis, then there are necessarily people who are where they should not be. (Politician-EFI-2).¹¹⁸

Those of Solidarity Chile under 4213 [points], received a bonus, in cash. Given the closeness of the time when the survey took place [CASEN 2001], that would have a significant impact on poverty falling down. But when you disaggregate the analysis and the statistics, and you look at CASEN, you realise that 9 out of 10 people who claimed to have received the bonus were not indigent, 9 out of 10. That is, that is not “messaging up” in 5 or 10 percent. No. It's almost everything (Bureaucrat-EFI-2).

5.1.2.4 - Deserving poor – Targeting in Ethical Family Income

For the policy makers of the EFI, part of the problem with the targeting instrument was that people lied about their conditions and they falsified the information about several important issues considered in the record. For example, a politician of the programme reports that they detected people claiming that ‘they did not finish [secondary] school, [however] there was a record that the person had taken the test [university admission test], that showed that the person had finished school because you cannot otherwise take that test’ (Politician-EFI-2). In other cases, people pretended to have more dependent relatives at home or pretended to be a single parent.

[The Social Protection Record] has to do with who the income earners are. When the survey [register] is done, people borrow children everywhere. For example, you may arrive to a house with 19 children; they hide the husband. [It is] disgusting. People are just like that, that is, it is like that in PENTA, SOQUIMICH [companies] and in the poor neighbourhoods as well. We should not idealise (Bureaucrat-EFI-3).

For the policy makers of the EFI, part of that problem with the instrument lies in the reliance on self-reported information, as an interviewed politician argue: ‘it may be because people lied, it can also be because the information is [was] outdated, a mix of things. People also learned to “how to respond the survey” in order to get a lower score’ (Politician-EFI-2). Another politician, as can be seen in the

¹¹⁸ Strictly speaking, that could not be a distortion of the record, but a result of deep inequality in the country; thus, it is logically possible that 50% of the population surveyed were in the lower 20% section in the instrument. The interviewee did not consider such possibility.

next reference, relates the fact that people lie to access benefits with the idea that these policies are “all or nothing”; thus, people behave accordingly in order to access benefits at any cost. In any case, the solution provided by Piñera’s government did not question that logic regarding the social policies, and went further by creating another means-test.

And why is it a disaster? First, it can be due to the design of the Social Protection Record; second, it is because of the way in which the public policies are implemented... because when you have public policies that are all or nothing, zero or one, or either you are poor, or not, [....]. When you have that, you do what the human being does. The human being wants to be in there, at any cost, [...] people will find the way to be part of it [the programme]. (Politician-EFI-1).

To deal with that problem, the construction of a new means-test which could overcome those problems was prioritised by the Ministry of Social Development, with an emphasis on tackling people providing false data. Therefore, the use of administrative data was advocated. As many of the interviewees state, designing a new targeting record involved many efforts in terms of economic and human resources. Also, the Parliament authorised the Ministry to gather administrative data; thus, ‘the Ministry has access to a lot of nominated data, basically of all the people who had the Record [Social Protection record]. That is a database of 11 million people’ (Bureaucrat-EFI-2). Finally, that new record was not ready, and EFI operated using the vilified Social Protection Record.

We are going to try to elaborate a programme with the best possible design for it. Another team will have to do a good targeting [...]. In fact, there is an enormous amount of money to elaborate the Record, two billion [CLP], [which is] an excessive amount of money. (Politician-EFI-1).

Besides, they had this obsession for “no mistakes”, that is, to find someone who “is [was] not poor and does [did] not deserve it”. Please, [put it] in quotes. And...in fact, they set up a gigantic Targeting Division in the Ministry, [...] “pure” technocrats, economists who were devoted to look for the exact formula to ensure that they were not going to include anyone who did not have to be. (Researcher-4).

So, the Targeting Team was in charge of –around 20 people– determining a perfect targeting mechanism that was not going to have any false poor. [...] When they realised that that was not possible, they got very disappointed (Bureaucrat-Both-2).

5.1.2.5 - Targeting issues in Ethical Family Income

One interesting point to notice is that the objective population for the main components was set a little above the actual figure for extreme poverty according to the official data in the CASEN survey. The main reason for that is stated by a policy maker: ‘that is the inclusion error that can be tolerated. You knew that pointing at 3.2 is impossible, so we said if it is within 5%, we are going to be fine’ (Bureaucrat-EFI-2). That very practical issue was also related to the acknowledgment that the families above the extreme poverty threshold were actually very similar to the ones below that threshold, and that there was movement across the lines.

- *Interviewer: If it indicated 3.1%, why was 5% at the end?*
- *Because to get at 3.1% is impossible. Besides, one knows that the family who is in the 4% is very similar to the one who it is in... ultimately, the degrees of vulnerability are very big and there is also movement. Therefore, we pointed at 5% because I think it is easier, although getting at 5% is very difficult. (Politician-EFI-2).*

In addition, EFI consider that vulnerability in its components and their differentiate targeting. The main cash transfers and the Psychosocial and Socio-Labour Support were allocated to that 5%, but the “effort” bonuses for school achievements and the Subsidy for Women Employment were allocated to the bottom 30% and 40% of the population, respectively (MDS, 2014; Cecchini, Robles and Vargas, 2012). To a certain extent, EFI was a gradual programme which contemplated a “progressive targeting” notion (Coady, Grosh and Hoddinott, 2004), which attempted to provide a greater proportion of the benefits to the worse-off.

In fact, the design of the programme is a gradual design. [...] There is a battery of instruments, within which there are the cash transfers, the family cash transfer, the conditioned cash transfer, and so on [...]. As you increase the incomes of the family, or decrease its vulnerability,

whatever way you want to measure it, these instruments are going to decrease. At the end, there is a sort of gradualness. (Politician-EFI-2).

5.1.3- Budget - Instrument and force behind the specific group hypothesis

Budget constraints played a major role in setting the extremely poor, and nothing but them, as the objective population of the SCH programme. Firstly, the political decision was to keep this figure relatively small, and restrictions were applied in this sense, as a bureaucrat states: ‘budgetary conditions, strong ones, in the sense that the intention was not to generate a programme such as “Bolsa Família” or “Oportunidades”’ (Bureaucrat-SCH-1). Secondly, the budget and the coverage were established earlier in the design process following the “hard-core” hypothesis, so policy makers had to work with that restriction. When that hypothesis was put into question, the budget constraint reinforced the original idea, setting aside any attempts to enlarge the coverage of the programme. As one Bureaucrat who worked in the Budget Office argue, an important decision to made ‘was a decision to move forwards [with SCH]. I would say that DIPRES played its role with no budget restrictions because the universe had already been set. (Bureaucrat-SCH-3).

Remember that saying, “the one who puts the money plays the music.” And we only have that [budget]. (Bureaucrat-SCH-5)

- *And that the Panel [survey] showed that, perhaps, the intervention should have been a little broader, not only that 5%.*
- *Ah yes, but that was because of an economic reason, nothing else. [...] But I would have at least reached the poorest 10%, not 5%. I definitely think that wherever you could have had more strength, it was actually never wanted because of an economic reason. (Advisor-SCH-1)*

Regarding budget constraints, EFI is similar to SCH. First, those constraints played a significant role in establishing the coverage of the programme, reinforcing the idea that the extremely poor formed a group with characteristics that were different from the rest, and despite the wishes of the designers in the Social Development Ministry, who tried to increase the coverage. Second, the budget was set before the design process of the programme started; the figure came from the original idea of a

transfer to each beneficiary with the exact amount necessary to reach the poverty line (negative income tax). In this programme, the constraints affected the size of the objective population and the amount of the cash transfers. In this respect an interesting aspect is related to the role of the Finance Ministry in keeping finances in order; for the policy makers of EFI, that role is completely understandable and even shared by them.

We want to do this, and we have initial 200 million [US Dollars] of the Solidarity Chile and 200 million more. 'This is your budget constraint; now, design.' But it was an active restriction from the start. Did it influence the design? Of course. (Bureaucrat-EFI-2).

We kept the thing perfect through lowering coverage, always at 5%, over 3.7%, but we would have liked 7%. [...] And that is because we are generous, but the Ministry of Public Works is also generous [...] And the Finance Ministry has I am not saying that it does things well, but its role is to balance ... (Bureaucrat-EFI-3).

The budgetary constraint is enormous. [...] In fact, the left bench would say this programme has [had] to be universal; we said we would like that but 'how do we pay?' And as much as I wanted, I would tell the parliamentarians, 'if you convince DIPRES of this, you will do me the greatest favour in history. [...] There are no more bucks,' and we pressed as much as we could to get them (Politician-EFI-1).

5.1.4- Other Technologies behind

In setting the characteristics of extremely poor people in these two Chilean programmes, two technologies supported and reinforced a particular understanding of the group. In the discussion regarding the CPE (Chapter Three), technologies comprise devices and social regularities which carry knowledge and rationality. The first technology comprises the use of means-test for the selection of beneficiaries. Chile has been using these instruments since the dictatorship to allocate the social assistance policies. At the time of the design of SCH, the means-test was an updated version of the CAS Record. Importantly, SCH presupposes the existence of this record, as one politician declares: '[given] the CAS record at that time, it was actually possible to identify by name and surname the extremely poor families; therefore, it was operationally feasible to reach those families with some sort of subsidy to complement their income (Politician-SCH-3). Thus, in earlier discussions about SCH, the

means-test made viable to have a nominative intervention in the group of the extremely poor by reaching them with a cheque. The same applies to EFI.

So, the first solution is [was] a cheque, to give to them a cheque. At the end a voucher, which would eventually equal or make up the difference between the current income of the family and what they need to escape poverty. That is how we solve[d] and it is [was] done. That was a very viable alternative, because the targeting system is brutal, and we knew the home address. (Bureaucrat-SCH-1).

The second technology is the analyses of ECLAC about income poverty in the region, in particular, the Poverty Gap analysis, which is a recurrent part of ECLAC's flagship document, "Social Panorama of Latin America" (2013, 2015). This analysis, which intended to show how small the economic resources needed to close that gap and overcome poverty are, were made with the purpose to show how feasible task was; however, the Poverty Gap analysis was used by the policy makers of the SCH and the EFI to see the poverty as a problem which only needed a small amount of money to be solved; consequently, opening the way for the use of cash transfers. In EFI, this Poverty Gap analysis gave them the notion that extreme poverty would be solved with 200 US million via the Negative Income Tax, setting the budget constraint of the programme.

ECLAC always carries out its analyses of severity, intensity. From that, I remember that in the discussion there strongly appeared the issue of the "Poverty Gap", which it was so tiny. At the end, people who were below this line of indigence were below that line in 5 thousand, 6 thousand [7 or 8 US\$]; so the gap was very small. [...] Finally, with a small cash transfer, you would be able to have a high impact on overcoming poverty. (Researcher-3).

The issue of cash transfer arose from the perspective of the income gap. That was basically the idea behind, that is, if one could identify extremely poor families, if those families were not a huge number, then it was possible to transfer a voucher that would allow them to overcome the line of extreme poverty. (Politician-SCH-3).

- Interviewer: you mean using the gap logic?
- Exactly. And in that sense, I think it was a little restrictive in terms of how that budget was thought because basically it was said 'this number of families are in extreme poverty; these

resources are needed, so the area under the curve is such amount of money.’ And that was approximately US\$ 200 million. (Bureaucrat-EFI-2).

5.2 - Causes of the Extreme Poverty

In this section the way in which policy makers of both programmes understand the causes of poverty is addressed. As was discussed in the conceptual framework (Chapter Two), causality in poverty analysis can be seen from its logic, the “want-based” approach or the “process-based” analysis (Shaffer, 2015a; Green and Hulme, 2005); and through the content of that cause (Katz, 2013, 2015). These policy makers based their analyses in the “want-based” approach, and in poverty regarded mainly as a problem of people. The issues discussed here are complemented by the causes of poverty that were not considered, which are discussed in the next chapter. Regarding the main characteristic of the extremely poor, some elements with respect to how the causes were understood are presented, such as the several shortcomings faced by these families, receiving fewer public benefits, having lower labour inclusion, and having many dependants. The relevance given to human capital in explaining poverty will be examined, which will be followed by the psychological issues presented in the diagnostic of both programmes.

5.2.1- Human Capital

The framework of the CCT model has as the most relevant cause of poverty the shortage of human capital among poor families (Fiszbein and Schady, 2009; Cecchini and Martínez, 2012; Villatoro, 2008; Valencia Lomelí, 2008; Lavinas, 2013). The two Chilean programmes follow that axiology, but with a difference which is worth noticing. In the case of SCH, the weight was placed in the institutionalisation of the extremely poor people, under the hypothesis that this population was disengaged from the public provision of services, among which were schools and primary health centres. The EFI is more traditional in its view on human capital – a shortage of it results in poverty. Having good health is an insurance for better welfare conditions and investing in education produces beneficial effects in the medium and long-term.

But the effort was towards institutionalising so that people could go to the primary health care centres, [...] and, on the other hand, those who are [were] in school age could be studying and not working (Bureaucrat-SCH-4).

The health of a child is fundamental, that is, a disease determines the poverty situation of a family to a great extent. [...] That the child be in the public health system from an early age and have all the controls updated is an insurance for that family in some way. That is an insurance. (Politician-EFI-1).

Although the education coverage rates in Chile are generally quite high, in this particular group, in general, they were a little lower. [...] And there is enough accumulated evidence from Chile and elsewhere that says that if you invest in human capital, that helps you in the medium and long-term goals. It is a datum (Bureaucrat-EFI-2).

5.2.2- Psychological approach

The relation between psychological issues and poverty was a key part of the diagnostic of the SCH, later reinstalled in EFI. Not only the human capital affected the abilities of the poor people to achieve income; the low self-esteem of the poor population and whether they were depressed or discouraged were also considered in the process. In words of a bureaucrat of the SCH, 'poor people are people with no hopes, very much like victims of a determinism, with a lot of dissociation, and living in a situation of exclusion' (Bureaucrat-SCH-5). As the literature on the topic emphasises (see Chapter Two), this is due to their socioeconomic condition which carries significant stress for them, concentrating their efforts only on the more pressing issues. This approach to poverty resulted in Psychosocial Support of both programmes, and in a focus on stress adopted by the WB.

The poor are not only poor, but they are also disheartened or disoriented or disconnected (Advisor-SCH-3).

We have to go and find them, sit with them and accompany them. And part of the damage has to do with issues of self-esteem. Deep down is this more multidimensional understanding of the variables that ultimately affect income (Researcher-4).

The World Bank became obsessed, ... well, it is also their paradigm... in believing that many of the reasons of poverty have [had] to do with a state of mind (Bureaucrat-Both-2).

In SCH, Psychosocial Support was based on the so-called “intervention in crisis” approach (MIDEPLAN, 2002b; Ruz and Palma, 2005). That framework was adapted because it was originally devised to be applied in situations others than poverty. According to one policy maker, some extremely poor people were ‘blockade, ‘not seeing’ alternatives anywhere, and getting used to living in a highly chaotic situation is a way to adapt, a way to adapt to reality. [...] Very little proactivity to modify anything. [It is] like determinism regarding to their fate’ (Bureaucrat-SCH-5). They get used to live in a constant imbalance state given their scarce resources. This approach re-took some elements from the Oscar Lewis “culture of poverty”; both regarding the socioeconomic conditions which led to a behavioural change; and about the “adaptive mechanism” as was discussed in Chapter Two, in which poor people act differently from the rest of the population as a way of dealing with their deprived condition.

A model is one taken from an intervention-in-crisis approach, which says that when you face sustained crises along time, you maintain that imbalance [...]. As an explanatory model, it says that extremely poor families have had so many failed experiences and so many complex situations to face without sufficient resources that they remain in a state of permanent mismatch and imbalance, and that makes them lose their capacity to prioritize needs, to order actions, and therefore, to look for viable alternatives (Bureaucrat-Both-1).

For EFI, the extremely poor were regarded as passive and people without initiative; all of that resulted from their shortage of human capital, from their socioeconomic deprivation and their experiences of constant failures, which reinforced that passiveness. In some sense, this interpretation is similar to the one provided by SCH; however, here the focus is placed on participation in the labour market. Thus, as a politician expresses, the necessary intervention ‘was not only a matter of job sizing¹¹⁹. [...] Because deep down it is not enough that you prepare them to go to the interviews, for example. It was about repairing their teeth or improving their image a little. Even training in a craft is not enough’ (Politician-EFI-2). It was necessary to go deeper, accompanying them in overcoming their frustration; giving them a small push which would put them on track towards their own development.

¹¹⁹ This is a preparation for finding a job, and it comprises the creation of a resume, improving professional appearance, and developing techniques to face a job interview, among others. The meaning is related to the procedures on papers and textiles.

The process of insertion in the workplace is a rather frustrating period because you go to interviews and you are rejected (Politician-EFI-2).

You can go to work, but people last there for 1 day, 2 days, 3 days in those jobs. [...] But deep down, when you have a habit, or you have developed certain work habits, it is much easier to work and remain in the labour system. (Politician-EFI-1).

In the end, it was like propping up the person from many sides, and supporting them; it is like, quotes, “pushing” them, so they can do and develop by themselves. From a very individualistic view, [it underlies] the person who will be able to do a lot of things by themselves, without which, they could not do. (Advisor-EFI-3).

5.3 - Families - Reproduction of poverty

A crucial option taken by the policy makers in both programmes, was the focus on the family; that is because the family was regarded as the primary place in which poverty is reproduced; consequently, was seen as a key space for intervention. Here, the diagnostics which support that focus on families is discussed; then, the assumption that poverty is reproduced in the family is addressed, and the actors supporting this focus on families are identified.

5.3.1- Families and poverty - Diagnostics

In both programmes, the most important diagnostic for anchoring the intervention to the family is a kind of normative stance, which states that poverty is lived in the family and that family needs exceed individuals' requirements. Thus, as a politician of the SCH argue, 'the family has requirements for its individuals, but it has requirements that are added as a system, right? That is a first issue. Along with having requirements, it has resources as a family' (Politician-SCH-4). A very similar opinion is shared by another politician, this time from EFI: 'poverty is a situation which is experienced by the family; it is not a matter of an individual. [...] What happens to an individual has both positive and negative externalities for the rest of the household members' (Politician-EFI-2). Before the SCH, the main governmental interventions within the “paying the social debt” of Aylwin and Frei governments, as an interviewee declares, 'the programmes were almost individual, for the person, the elderly, the child, the pregnant' (Advisor-SCH-3). Therefore, changing the focus towards the family was an attempt to perform a more integral intervention, avoiding atomization. In the case of EFI, the programme follows

the logic of its predecessors, leaving aside individual interventions, and focusing on the family as a system.

The logic [of EFI] behind was basically to address the problem of a family unit and not of an individual in particular. That is [was] the first thing, and in that sense, that is the same line which SCH had. In that line, we [would] go to the family; let us not see the individual in particular. (Politician-EFI-1).

In the case of SCH, putting the family as a key place for intervention, resulted from a series of elements. First, as a researcher points out, in the nineties, ‘family studies appeared. And what did these studies tell us? That in the family subsystem, assets were accumulated, survival strategies were developed, also strategies for the satisfaction of needs’ (Researcher-3). Second, SCH was designed by a centre-left political coalition, but due to this focus on the family, it found support in conservative centre-right. Third, budget guardians deemed an intervention of the families as not only effective, but also efficient in the use of the fiscal resources. As will be discussed in the next sections, family is key to the whole CCT model and its advocates, the WB.

A fibre was touched, clearly in all sectors. Our own fibre, say in the left-wing sector, was the issue of the poorest of the poor; on the most conservative side of the right-wing, the family issue was very important... it was very very important. In addition, the fiscal criterion found support because, at the end of the day, when analyses of efficiency and effectiveness were carried out, working with the family could be costlier at the start because it was a new operation... massive. However, what we tried to show them, the social scientists to them, was that there were synergies... there were economies of scale. (Politician-SCH-4).

5.3.2- Reproduction of poverty in families

The idea that poverty is reproduced into the families is in line with the whole development of the “underclass” concept (see Chapter Two) and is the fundamental element of all of the CCT programmes, also present in the two Chilean policies. As one policy maker of the SCH argues, ‘changing the household unit into this family concept, what was being sought was, fundamentally, to deal simultaneously with various complexities that were related to the dynamics of production and

generation of poverty' (Bureaucrat-SCH-4). The central element of that reproduction is the education, the low socioeconomic level of the parents would result in a low level of education for their progeny. In EFI, where the CCT strategy was even more noticeable, the objective of the programme is the attempt to break the intergenerational reproduction of poverty, mainly through the increase in human capital.

Finally, all of them start from the premise that education is the fundamental factor in poverty and that there is the intergenerational transmission of poverty. If your father did not go to school, chances are you will not go either (Bureaucrat-Both-2).

[Objective of the programme] To break the long-term circle of poverty by fostering actions that would support breaking the circle of poverty; and fundamentally attacking two things in particular: one is [was] the health issue, and another is the education issue. (Politician-EFI-1).

5.3.2- Actors behind the focus on the Families

The three groups which participated in the design of the SCH were briefly described In Chapter Four, namely: 1) the MIDEPLAN-FOSIS, 2) the Budget Office, with the support of the WB, 3) assessors of the Presidential Office (Ruz and Palma, 2005; Frenz, 2007; Martínez Franzoni and Voorend, 2011; Palma and Urzúa, 2005; Puentes, 2009). The focus on the family experienced an important boost in the group formed by policy makers in MIDEPLAN-FOSIS. Particularly, Veronica Silva and her group implemented a local programme in the district of "La Florida" at the beginning of the nineties, intervening families at poverty and extreme poverty¹²⁰. Silva was the leading person in this MIDEPLAN-FOSIS group, and they brought some elements from that local programme, in particular, the focus on the families.

And at that moment, Verónica Silva, who is key in all this story, had been developing a psychosocial model based on the family theme. I think what she did at local level, particularly in La Florida district, was interesting because it was not only the individual, but she was looking at the family level which was something like between social worker... something like classic social work with a slightly more modern thing. (Bureaucrat-SCH-2).

¹²⁰ This local programme used a similar type of psychosocial support, and its theoretical approach was the "intervention in crisis".

Right, the discussion made by the team of Veronica Silva: Of course, she says, 'Here, the fundamental theme is the family, and it is in the family where changes occur,' and so on (Politician-SCH-2).

For the proponents of SCH, its focus on families is an improvement, compared to previous individual interventions; however, as it was briefly described in Chapter One, Chile has had relevant intervention experiences with communities with FOSIS in the nineties, and particularly with the “Chile Neighbourhood” programme. Therefore this emphasis on families was an important change in the way in which social policies had been implemented until that time. In addition, three elements related to the actors behind that change were relevant in this change. First, the director of FOSIS, Verónica Silva and part of her group were social workers, so they focused on intervening the family as their disciplinary formation would suggest. Second, some of them were members of the Christian Democratic Party, the most conservative party in Concertación coalition. The third element related to the actors was the important support of the WB and the CCT model towards intervening families, rather than individuals or communities.

I believe that intervening a family or working in territories is closely linked to your professional training, or professional deformations. Then, social workers will focus on working in the family. (Politician-SCH-1)

[About the family] there is a reactionary and conservative concept. [...] I thought that in this discussion there was an incredible conservatism behind; and it was related to the political affiliation of the actors. (Politician-SCH-2)

I believe that the big “sin” of CHS, I do not know if it is even a sin, but what I actually think it is, although Pia does not say so; or everybody does not say so, it is totally “son” of the logic of conditional transfers that it made this jump from approaches that Chile had a lot of progress, in FOSIS, MIDEPLAN, and so on; work with communities, with neighbourhoods, and so on, this ultra-individual logic, and of household, and so on. (Researcher-4).

Chapter's Conclusion

In this chapter, the three key elements characterising the extremely poor population in the two Chilean CCTs have been presented. First, the policy makers regarded the extremely poor as a group with specific characteristics, different from the rest. Second, the causes of poverty are characteristics inherent to the people in extreme poverty, in particular, their shortage in human capital. Third, the idea that extreme poverty is lived and, more importantly, reproduced in the family. As it will see in the following chapters, the policy makers' selection of these characteristics has important consequences for the type of intervention performed by both programmes, as they set the boundaries for the understanding of poverty in those programmes.

In the chapter, two issues stand out. The first one is the description of the three elements characterising the extremely poor population; the second is related to the elements playing a role in these policy-making processes. Regarding the description, both programmes consider that extremely poor people suffer deprivation in many relevant aspects, in some sense understanding their poverty in a multidimensional fashion, at least when the policy makers characterised these families. The critical issue was their shortage of human capital when these families are compared to the rest. In addition, these families have to take responsibility for many dependents (children, elders or ill people), which affect their present wellbeing, but also the possibilities to increase their income in the future.

Regarding the differences between the programmes, SCH gave greater weight to the exclusion from the state programmes. The policy makers of the EFI were concerned with the proportionally low participation in economic activities of these extremely poor families. In addition, more relevance was given to the higher proportion of women heading the household by the EFI policy makers. Despite the severe criticisms to the use of means-test instruments for targeting benefits, both programmes relied on those instruments. In particular, the EFI policy makers were concentrated in the search for an instrument which could be able to detect the undeserving poor.

Regarding the causes of poverty, in both Chilean CCT programmes those causes were understood according to the want-based approach; that is, being at poverty is the result of the differentiated characteristic of those families, in comparison to the rest. Thus, the shortage in human capital is the

leading cause of being at poverty in general, even more in the case of the extremely poor people. Others causes which were considered are: the higher number of relatives that are dependent, lesser participation in economic activities, and, in the particular case of the SCH, the exclusion of the use of public programmes.

In both programmes, the concern related to certain psychological conditions increasingly affecting this population segment emerged. This, along with the shortage of human capital, could undermine the abilities of poor people to face different challenges and increase their income. Another critical element of the CCTs in general, and of SCH and EFI in particular, is the characterisation of poverty primarily as a family matter; this is the place where poverty is lived and reproduced. That is a bold statement by all the CCTs in the region, and the Chilean ones are no exception. However, that focus on family also had a local origin which is later expressed in the Psychosocial Support, the distinctive feature of both Chilean programmes.

If the first issue which stands out from this chapter is the characterisation of the extremely poor, the second issue refers to the processes in which that characterisation was selected by the policy makers. The four selectivities of the Cultural Political Economy framework have a role, and these roles are differentiated depending on the feature. Regarding the constitution of extremely poor people as a distinct group, discursive selectivity was at play, but also were relevant the budget constraints in setting the boundaries; and the role of the CCT model (structural and technological, respectively) were also relevant. The selection of the causes of poverty considered was mainly a discursive issue. In the third element (poverty reproduced in the family), discursive selectivity was not the only one playing the key role; agential selectivity was also crucially involved.

Chapter 6 – Boundaries of Extreme Poverty as a Problem

Chapter's Introduction

The present chapter provides the link between the discussion regarding the “construction of poverty as a problem”, and the specific features of the “intervention” in the two CCT programmes under study, which will be presented in the next chapter. In other words, this chapter will conclude analysis on how extreme poverty was understood, opening the way for analysis of the intervention. The chapter has two distinctive sections, which are related to Cultural Political Economy and its evolutionary mechanisms. The first section discusses the “retention” mechanism of the construction of poverty as a problem, whilst the second section presents the “variation” mechanism of the intervention.

In the first section, the discussions given in previous chapters regarding the construction of poverty as a problem will not be reiterated, instead will be examined the analytical issues of the diagnostic of the two programmes by means of what was left behind by their policy makers. Thus, the designers put aside the structural analysis in their analysis of the causes of poverty. Also, due to their focus on families, the policy makers ignored territories and communities as places to intervene; these two issues are analysed in this chapter. Also, in this section, the assessment that families need to be intervened is examined. The role assigned to the State by policy makers under the subsidiary welfare regime will also be discussed. In the last part of this section, the relevance of the traditional understanding of poverty in these programmes – poverty seen as lack of income –, and the significance of reducing poverty indicators using cash transfers is discussed.

The second section of the chapter discusses the “variation” mechanism of the “intervention” in the two Chilean programmes. When SCH was designed, the main variation in the intervention to tackle poverty was the adoption of Conditional Cash Transfer as a model, which was virtually ready for being selected by policy makers, and that with the support of the World Bank. In the case of EFI, this CCT model was also ready for selection.

6.1 - Boundaries of the Diagnostics

This part addresses the CPE “retention” mechanism involved in the “construction of extreme poverty as a problem”; this mechanism refers to the embodiment of the selected features, that is, the institutionalisation of discourses and practices. For a public policy such as the two analysed in this research, what is retained are the diagnostics of each programmes. Given some aspects of the diagnostic already examined, five crucial elements are presented in this section. These elements emerged from that discussion, which set the boundaries of the intervention in these two programmes. Firstly, the causes of poverty are examined; in particular, why the two CCT programmes did not consider a structural perspective to explain poverty in Chile. Secondly, the arguments given to reject the territories and communities as an alternative for the intervention are reviewed. In short, these two sub-sections address the alternatives which were left aside by policy makers in the construction of poverty as a problem. Thirdly, the argument that families need intervention in order to overcome their deprived situation is examined by looking at the way it was shared by the two programmes. The fourth sub-section presents a discussion on the role assigned to the state in these two Chilean CCT programmes, which set the boundaries for the intervention to tackle poverty. The final sub-section assesses the relevance of the view of poverty understood as lack of income.

6.1.1 – Poverty does not have Structural Causes

6.1.1.1 - About the Causes of Poverty

The last Chapter discussed how the two CCT programmes understood the causes of poverty. It was shown that these programmes followed the “want-based approach”, thus, what causes poverty is the dissimilar attributes that these families have in comparison with families that are not poor. As was presented in Chapter Two, this is not the only logic to approach the causes of poverty, and the other approach to the causality of poverty – the “process-based” analysis – is absent in these programmes. With respect to SCH, one of the policy makers clearly states that the programme did not attempt to intervene in terms of the causes generating poverty; in her view, the programme only attempted to redistribute public resources in a different manner.

The SCH was posed as a system of redistribution of resources, based on new mechanisms of the provision of services, which ahead they had this combination of psychosocial support, plus

transfers, plus access to the [public] offer. At no time was it born as a policy strategy to intervene on the causes that generate poverty (Bureaucrat-SCH-4).

A similar position was held in EFI; the central affirmation regarding the causes of poverty was that overcoming poverty depends on the ability for people to generate incomes autonomously. In the programme designers view, the main cause of poverty is explained in terms of people not working, or not working enough. More precisely, extreme poverty is due to issues that prevent people from working, and those issues are their personal characteristics. Another approach to the causes of poverty was out of the question, as a policy maker who was very familiar with the design of EFI asserts: 'If you did not take the opportunities, that is your problem. Here we do not explain the causes of poverty; we operate on the consequences of poverty (Bureaucrat-Both-2).

- *Interviewer: How was it related the idea of families generating autonomous income with, say, the causes of poverty or the characteristics of poor people?*
- *The diagnosis we had is [was] that... well, in general terms, we believed that overcoming poverty has to do with the ability to generate income autonomously. And so, in a world where there is no extreme poverty, one could say that it would be enough if there were sufficient jobs in the labour market, and if we had enough nurseries for women, training, etc. (Politician-EFI-2).*

Very schematically presented, there are two options available to intervene the labour market in order to increase labour inclusion, namely: 1) on the side of labour demand, intervening business; 2) on the side of labour supply, enhancing the employability of the individuals. The option took by EFI – and before that by SCH although less explicitly – was to operate on labour supply¹²¹. Among the interviewees, some voices questioned the idea of only intervening the supply side of labour. However, for the policy makers of the EFI that seemed a trivial distinction; as long as the markets are competitive, the results of supporting either labour demand or labour supply are the same. Clearly, this approach to the issue taken by the designers of the EFI is influenced by liberal economic thought about poverty (Brady, 2003b), presented in Chapter Two, characterised by its confidence on the free

¹²¹ The mechanisms used by EFI were the subsidy of women's work and socio-labour support, which includes training among other initiatives. Those will be described in the next chapter.

market, the focus on worker productivity, and the idea that poverty results from unemployment and low wages.

The economic structure does not allow the productive inclusion in quality jobs for this type of population. [...] As much as you enhance the labour supply, if there is no demand, that's the end of the road (Researcher-1).

- *Interviewer: This programme affects the labour supply, but policies regarding the demand for labour were not considered; because that could also be another way of combating poverty...*
- *Without drawing the graph on a blackboard, it is a little more difficult to explain it. If you subsidise the supply or demand for employment in a relatively competitive market, the result is the same. That is, part of that transfer will be taken by demanders; part of that transfer will be taken by suppliers, that is to say, it affects both sides (Bureaucrat-EFI-1).*

6.1.1.2 - Structural Analysis Neglected

One of the key ways to understand the causes of poverty – which is neglected by the two Chilean CCTs due to their focus on the characteristics of the extremely poor – is the structural analyses of poverty. As was presented in Chapter Two, some analyses have related poverty with economic underdevelopment, others with low wages in working poor people, or with the existence of sectors of high productivity and others with low productivity (Bradshaw, 2007; Blank, 2003; Katz, 2015). In Chile, the literature has highlighted the structural heterogeneity of the Chilean economy (Infante, 2009). As one researcher remarks, the individual attributes of poor people should not be dismissed because those attributes interact with a structure, which allows some people to integrate in good terms and others which only could access to temporary and precarious economic activities. A good example of how these analyses have been neglected, is in relation to the dynamics of poverty and vulnerability. As a researcher argue, ‘the whole issue of informality is something that serves as a backdrop to understand why there is this dynamic whereby some people, who have structural characteristics of poor, so to speak, suddenly they get to accumulate an income above certain threshold, but they do so under conditions in which they can return at any time’ (Researcher-9). So far, the governmental efforts have been concentrated in training the individuals to have a better, more formal job, but have not dealt with job informality as a way to tackle poverty.

It is because there was no sensitivity towards understanding poverty in a perspective where the situation of people depends not only on their personal attributes, but also on how these personal attributes can interact with the structure of opportunities. There are many problems in terms of what that structure is effectively offering, and how much of it truly represents opportunities for this type of population (Researcher-9).

The Chilean CCT programmes not only neglected how labour market configuration affected the opportunities of the extremely poor people; they also left aside territorial insights in poverty analyses. Indeed, the relevance of the place in explaining poverty and its reproduction have been largely emphasised (Wilson, 2011; Katz, 2013, 2015; Greenbaum, 2015). In Chile, people in poverty live in distinct neighbourhoods and areas, where they experience not only a lack of access to services, but also lower labour opportunities (PNUD, 2017; Arriagada, 2010). Ignoring these territories makes these two CCT programmes less effective, as people continue living in “ghettos” with few opportunities, and the effects of living in those areas are not considered. Additionally, these programmes were mainly thought for urban areas; consequently, poverty in rural areas was not taken into account.

What I mean is that when you give a signal with the cash transfer, you get involved into a path that is progressively invalidating a much more important aspect of public policy, which is the work for social inclusion ...for the rupture of exclusion spaces. [...]. What is the point of transferring money to the families of Bajos de Mena, Alerce, Michaihue, or Oscar Bonilla¹²² if, at the end, all these people are living in a ghetto? Why is it that you did not spend more money on housing inclusion within the urban area instead of expelling the people to the periphery? (Researcher-8).

Then this person... atomised [person]... may have a job... can be salaried or self-employed. Here there is an important urban bias because peasants do not have access. Either they enter as urban, as a worker in a supermarket of Talagante¹²³ (Advisor-EFI-3).

¹²² Examples of very deprived areas and neighbourhoods.

¹²³ A rural area which is close to Santiago.

6.1.1.3 - Specific Policies for Specific Problems

For the policy makers of both programmes, the reason behind neglecting the structural analysis of poverty and not considering territorial aspects was the limited scope of the programmes, as these are specific policies for specific problems. Both are merely an anti-poverty interventions, pragmatic in their origins and unable to deal with all the aspects involved in poverty, even if they recognised their relevance. Thus, the programme designers argued that they were realistic about what was possible to intervene, and what was not. For example, tackling the many shortcomings in deprived neighbourhoods goes beyond the scope of limited programmes like these.

Then it is also necessary to be realistic about what can be requested to the anti-poverty programmes. [...] Changing the productive matrix, not just of depending on raw materials [commodities], it is a very long-term issue. People live in the short and medium terms, and we have to attend to them (Researcher-2).

SCH is very pragmatic. They say, 'what do I have to offer? From what I have, what do I count on, how can I improve what I have? Let us improve what I have' (Bureaucrat-SCH-1).

The whole neighbourhood is screwed up. So, that poor guy... you do not get anything if you do not improve the environment. But again, taking responsibility for that environment implies something of a public policy that goes beyond the scope of this programme. (Bureaucrat-EFI-3).

6.1.2 – Only Families, not Territories nor Communities

The option of these Chilean programmes to focus on the families not only dismissed other interpretations on the causes of poverty, but also ignored an intervention on communities and territories. This section discusses the rationality behind that decision and the elements considered by policy makers. Firstly, the programme “Chile Neighbourhood” is examined. This programme had a strong community-driven strategy and presented some arguments in favour of a territorial strategy towards tackling poverty. Then, the reasons why policy makers left aside a territorial approach in the programmes are discussed.

6.1.2.1 - Chile Neighbourhood – Territorial Approach before the CCTs

In Chapter One the “Chile Neighbourhood” was briefly presented, this was a programme designed at the end of the nineties with the aims of eradicating irregular settlements and overcoming poverty. In the words of a former director of this programme, it was ‘a focused programme of intervention in precarious settlements. Targeted because a cadastre was conducted, [...] the programme was designed to specifically eradicate those settlements’ (Politician-SCH-2). For “Chile Neighbourhood”, housing and poverty problems were both territorial and multidimensional, so one could not be solved without the other in those irregular settlements. Therefore, at the governmental level it was necessary to achieve the coordination of several institutions – not only the Housing Ministry. Also, it was necessary to promote and support community networks in order to deal with issues affecting the whole area, despite the specific characteristic of each family. The contrast with SCH is evident, even more so when it is noted that “Chile Neighbourhood” was in full operation when SCH was designed.

It was the discussion that took place in those years, which is something that for us, today it is logical, that the housing problem and poverty were multidimensional... that multidimensionality was expressed in a territory, in a space, and that is why there was this community component (Politician-SCH-2).

Look, when SCH was created, I was the director of Chile Neighbourhood, and I thought that the defect of this, unlike Chile Neighbourhood, SCH had a problem; it did not make networks. Chile Neighbourhood intervenes in networks, and SCH has no networks. And EFI is the same as SCH, but with a little more emphasis on transferring resources (Politician-SCH-1).

6.1.2.2 - Families in the same Territory – Towards a Community Strategy

Certainly, given the characteristics of the objective population of the “Chile Neighbourhood” programme, the settlements constitute a territory by definition. However, as was discussed regarding the criticisms to the targeting process, the majority of the families included in these programmes were located in low-income neighbourhoods. This is because the housing policy during the dictatorship and throughout the nineties allocated the people in need of houses on the periphery of the cities in residential complexes only for low-income people. There, the price of the land was lower but the services and labour opportunities were either non-existing or far from those areas (Arriagada, 2010; PNUD, 2017). Poverty can be territorially addressed because the majority of the poor people live in

the same areas and they experience similar shortcomings, such as drug addiction, alcoholism and the lack of labour opportunities. Besides, by using means-test, these programmes push away families who share many characteristics with the families included in the programme. Moreover, that could destroy existing community ties or prevent the formation of those ties, generating an atmosphere of doubt among neighbours.

They are in a territory of exclusion, so I cannot say this family and not the other. (Researcher-8).

But the individual subsidy, that is, this kind of probe to the families, where you put them to compare with their neighbours and to break their relations of solidarity, it is heinous, nefarious. [...] To make them compete with neighbours, the logic that you will receive the benefit because you deserve it, you have to prove that you deserve it, and how do you prove it? Being poorer; and the neighbour is the comparison between equals, and if my neighbour is in the same situation and received it, and I do not, it is because my neighbour lied, [so] I distrusted in my neighbour. My neighbour stitched me up... the feeling of fraud. The State has a very perverse mechanism of atomization in the world of poverty. (Researcher-3).

6.1.2.3 - Solidarity Chile – Discarding a Community Strategy

In the case of SCH, two arguments are wielded to explain why a community approach to tackle poverty was discarded. Interestingly, the policy makers of this programme do not reject the idea that a territorial approach could complement family intervention; likewise, they do not deny that the means-test could potentially separate communities. Rather, the arguments concentrate on the judgment of previous policies and the difficulties of working with organisations and territories. First, a politician asserts: 'I would say that the main reason why it was directed to the family instead of the community, is [was] because the experience of working with communities during Frei government had not been very successful' (Politician-SCH-3), he clearly refers to "Chile Neighbourhood".

Regarding the difficulties of working with organisations and territories. On the one hand, it was considered that within the communities there were asymmetries of power which were relevant and hard to overcome. Some groups within the community would have access to more resources than the rest, i.e. the leaders of the community organisation. Thus, the option was to skip those organisations

and go directly to the families. On the other hand, as a researcher explains, ‘there is a practical reason to work with families, which has to do with the complexity of working with communities, and with the lack of representativeness of organisations that are within the communities’ (Researcher-6).

With the logic of community, there are certain groups that have more skills, more development of self-esteem, self-knowledge, and so on, which are those groups who generally get more benefits. [...]. And the people who are in extreme poverty are those who are out ... excluded (Bureaucrat-SCH-1).

There strongly appeared arguments about who take more advantage of benefits when people organise themselves in more associative, collective terms. In particular, the problem when leaders capture many opportunities [for themselves] and do not give to the rest [...]. Therefore, we had to skip the leader, skip the organisation, and knock on the door of people (Researcher-3).

6.1.2.4 - Ethical Family Income – Discarding a Community Strategy

The policy makers of the EFI also discarded a community or territorial approach. Regarding the “Chile Neighbourhood” programme, they draw a clear separation between that programme and the CCTs; in words of a politician, ‘those are super laudable goals: to generate communities, to generate social networks, but this was not the goal of SCH nor EFI’ (Politician-EFI-2). Given that poverty is something that affects families and is related to income, intervening the communities does not attack poverty. Moreover, it was recognised that a community intervention was never on the table when the programme was designed. With striking honesty and simplicity, a politician concludes that if that would have been considered, the result would have been the same. Despite the rejection of any community approach, as it is ironically pointed out by one researcher interviewed, the EFI programme actually has a communitarian intervention as part of its Socio-Labour Support, which is there for efficiency reasons.

To be honest, we never question the idea of making interventions of this kind at the community level. But it seems to me that even if one had questioned it, it would have ended doing the same; I do not think we would have done something different. (Politician-EFI-2).

It is funny because EFI solves part of that because of economies of scale, not because of a community logic [...] the labour plan [individual] is there; but the sizing sessions are community-based. I insist, I think they did it due to economies of scale, not because of the logic that it worked better communally, but because it is [was] cheaper to bring them all together. (Researcher-4).

6.1.3 – Families Need Intervention

Psychosocial Support is the particular feature of the two Chilean CCT programmes in comparison with the region. As has been stated, it originated in local programmes where some SCH policy makers had previously participated. EFI kept this feature and even expanded it with Socio-Labour Support. In both programmes, what justifies this component is the diagnostic that extremely poor people were in need of orientation.

6.1.3.1 - Solidarity Chile – Poor People Need Guidance

To sum up, SCH policy makers identified two related diagnostics which were at stake regarding Psychosocial Support. The first one was the consideration that the extremely poor were disconnected from public programmes (Chapter Four); the second one was the psychological issues that some members of this group had according to the policy makers, such as low self-esteem, depression, hopelessness, and being blockade and unable to seeing alternatives (Chapter Five). With those diagnostics in mind, the designers in the Planning Ministry argued that the only way these families could overcome their extreme poverty situation was by means of a multidimensional and long-term intervention that was specifically tailored to them. That accompanying shifted the relationship between the state and the extremely poor families.

[Within MIDEPLAN] There was a preliminary report that concluded with the idea that, in the absence of a multi-sectoral and multidimensional intervention on these families, they were not going to be able to get out of poverty, on their own (Advisor-SCH-2).

More time working with the same families and under a very close-approach format, which was similar to a kind of accompaniment scheme. [...] A more comprehensive management not only of the conditioning causes of the family's poverty situation, but of some issues related to

attitudes, dispositions and practices that had to do with how to transform liabilities into the assets of the families (Bureaucrat-SCH-4).

In SCH, Psychosocial Support had the function of accompanying and guiding the extremely poor families; as a researcher reports, ‘a technical approach to the [Psychosocial] Support recognises that a poor person requires support, not only money but also guidance’ (Advisor-SCH-3). Regarding the diagnostic that extremely poor were disengaged from the public programmes, a politician explains that possible reasons behind it are that they cannot use those programmes because they do not know they are entitled to using them, or that they may not want to participate in those programmes. Thus, whichever was the case, ‘the only way to overcome what they do not want, or what they cannot, is working directly with these family nucleuses, either by motivating them to wish or training them, because they must want but they do not know they can. Those were the two logics’ (Politician-SCH-5).

6.1.3.2 - Ethical Family Income – Bringing the Poor People closer to the Work

In the case of EFI, the key issue was that extremely poor people could be economically autonomous. The demand for workers was not enough because, in the opinion of the policy makers, the extremely poor were very far from the labour market and the task was to bring them closer. In order to achieve that, it was necessary to give them Psychosocial and Socio-Labour Support. Interpreted from the “intervention in crisis approach”, the extremely poor were seen as paralysed in SCH; the EFI policy makers revisited this approach, but this time to guiding them towards their insertion into the labour market.

So, our vision was that in this group of families, who are extremely vulnerable families, what you have [had] to do was bring them closer. Therefore, our design stated that these families are very far, that we need to support them psychosocially, we need to support them in the labour market, so that they can approach the labour market. And in this process, because it is a more vulnerable family, we will accompany them for some time (Politician-EFI-2).

The hypothesis [of SCH] was fully confirmed [about the intervention in crisis]. So much so that the EFI [policy makers] finally, without them knowing, take [took] the same elements, because what is required are long-term interventions mediated by an external agent that, in face of

this situation of sustained crisis, may help to make a sort of initial ordering, set priorities and start working on small achievements over a period of time in order to achieve better living conditions (Bureaucrat-Both-1).

6.1.4 – Role of the state

In the provision of welfare, the State has a crucial role, even if that role is a “subsidiary” one, such as the Chilean Case. This section addresses the way in which the role of the State was understood, and reinforced, by policy makers when they select the key features of the poverty as a problem in the design of SCH and EFI. In short, these programmes were designed under a “subsidiary welfare regime”, and they did not question that character; rather, this subsidiary role was reinforced by the way in which poverty was understood, i.e. as a problem of a few families, caused by their characteristics and without any structural cause. In Chapter One the boundaries of the welfare regime in Chile since the dictatorship were reviewed, that provide the context in which these two CCT programmes were developed. Here, similar elements are discussed, but particular emphasis is placed on the perspective of the policy makers, which shows how the design of the programmes reinforced the “subsidiary” character of the Chilean welfare regime.

The wave of the CCTs in Latin America started after the programmes of “structural adjustment” which liberalised the economy and opened it to the external market; also, the size of the state and its spending was reduced, in an attempt to keep a balanced budget and restrict the role of the state in the economy and development strategies. Thus, the elites in the region not only rejected the state’s intervention in the economy, but also favoured limited and low-cost interventions which could mitigate the most dreadful consequences of the “adjustments”. In that period, Social Investment Funds were the primary strategy to face poverty (CEPAL, 1997; Franco, 1996); the CCTs replaced those, keeping a residual role of the state.

The context in which the CCTs programmes are being implemented in the region is a post-structural adjustment programmes [...]. In a context in which "faith" in the state was very low, the Social Fund scheme predominated whereby what is done is simply outsourcing services to the private or delegating to the community. (Researcher-6).

The CCTs appear in this context, whereby an approximation, say, to a selective...residual welfare state predominates (Researcher-6).

6.1.4.1 - Solidarity Chile – Declamatory Changes about the State's Role

It must be noted that the policy makers of the SCH do not relate this programme to the Social Investment Funds strategies, neither as a continuation nor as a shift. It is not recognised that the “Funds”, very much like the CCTs, put poor people as the focus of the intervention and “subsidy the demand” (see Chapter One). Moreover, these policy makers present SCH as a turn in the social assistance policies towards poor people, inherited from the dictatorship and the programmes implemented in the first two democratic governments, not in relation to the wave of “Funds” of to FOSIS, the Chilean Fund.

Two were the criticisms made to the previous social assistance policies introduced by the policy makers of SCH. First, those policies were regarded as “assistentialist”, that is, they only relief basic needs but did not generate capabilities among the poor people to keep them out of poverty. Certainly, as has been argued in this research, the “Funds” and FOSIS programmes in the nineties were limited policies – which were part of that subsidiary approach – but those strategies can hardly be regarded as “assistentialist”. What they refer to as “assistentialist” were the stipends created by the dictatorship and maintained in the democratic years, namely, the Unique Family Allowance (SUF) and the Assistance Pension (PASIS). The second critique was that those cash transfers were not guaranteed at all; therefore, some extremely poor families did not have access to those. Securing the access for this group was the main change regarding the role of the state in opinion of for these policy makers.

First, regarding Solidarity Chile, it must be understood that SCH was a break or a turning point of social policies in Chile. Not only during the time of the dictatorship, but during the first years of democracy. Social policies had a basically assistentialist bias. An example of this is that with the tax reform of 1990, the first social measure taken was to increase the family support allowance (Politician-SCH-3).

In the case of Solidarity Chile, the issue was that a budgetary effort had to be made to guarantee the monetary benefits that are [were] the minimum. So, as I say, Assistance Pension

and Unique Family Allowance had not been guaranteed, neither in volume nor by the allocation mechanism. (Bureaucrat-SCH-4).

It can be argued that SCH represented a change in comparison to those previous “assistentialist” policies, as it guaranteed the benefits to extremely poor people and even, that SCH is a more comprehensive way to tackling poverty. However, this is still a specific intervention with a greater aim, which is part of that residual role of the state in the provision of welfare. As a researcher argues, ‘we always end up falling into the trap. Once the idea of a programme to overcome poverty is adopted, achievement is subject to the success of that programme, and the truth is, overcoming poverty is the whole social policy. It is the whole social policy, and this (programme) can be a more concentrated lever. (Researcher-9). In broader terms, this declared change is more spurious; it has continued the pre-eminence of social assistance policies, the social policy has kept its residual role, only alleviating the most pressing needs of the poorest in society, those who have been left behind by economic transformations. This issue is related to neoliberalism; but also, as one researcher stresses, it derived from the idea that poverty can be eradicated with a specific intervention and that the focus is on a specific indicator, as if this measure could embrace the whole poverty problem.

Then, once again and regrettably, as someone said out there, the social policy becomes the ambulance that picks up the dead or injured that the economic policy leaves on the road. And that’s it (Bureaucrat-SCH-2).

The neoliberal bias is absolutely present in all the accompaniment that is made to the evolution of the poverty that taking place from the late 1980s to the late 1990s. And I would even say that we can [could] project it until the mid-2000s. That is, Chile is succeeding only and exclusively because the monetary poverty is diminishing. Is said that if you want to continue this path [diminishing poverty], you do not have to change tracks, you must attend to that indicator and keep improving. (Researcher-9).

6.1.4.2 - Ethical Family Income – Clear Subsidiary Role

Regarding the role of the state, the position of EFI policy makers is much clearer and more precise: The state only has a subsidiary role. From a libertarian perspective, as a politician who participated in the design of the programme declares, ‘I believe that the role of the state is mainly, or conceptually a

subsidiary vision in the sense that it has to be responsible for generating the conditions, so the families can effectively be protagonists of the story they want to live' (Politician-EFI-2). For the policy makers in Piñera's government, Chile does not enjoy an "equality of opportunities", and this justifies the "assistentialist" role that the state has, while equality has not been achieved yet.

When the current situation of the family is not the result of the equality in opportunities, as it is the case of many families, I believe that the State has to assume a certain assistentialist role. In other words, I believe that the programme cannot be one hundred percent assistentialist, but in a transition, I think it is unavoidable (Politician-EFI-2).

The subsidiary character of the State and the limits to state intervention can be seen in the origin of EFI, regarding the "ethical wage" proposed by Bishop Goic (see Chapter Four). Candidate Piñera at the time acknowledged the debate on the ethical wage and promised to do something about it. Once he was elected, the possibility of increasing the minimum wage to the level proposed by the Catholic Bishop was discarded; instead, as a researcher summarised, it 'was transmuted... reconverted, by the government into the Ethical Income. A formula that allows a right-wing government -very liberal- absorbing the demand for a decent income [...]. That without the need to alter the primary distribution of income, without altering the minimum wage too much' (Researcher-3). The argument, based on what the economics theory states, was that an increment in the wages could affect the economy prices and the employment rates.

The history of EFI was before Piñera government, when Monsignor Goic spoke of an ethical salary, or actually, an ethical minimum wage. A stir was generated from those statements, and Piñera said, when he was a candidate, that we are [were] going to generate a family ethical income as a public policy. He [the President] could not establish a salary because you could lose your job, but establish an income in such a way that it be possible to subsidise families so that they could achieve this income. (Bureaucrat-EFI-1).

Then the original proposal of the campaign [...] came from a logic of transfers to make incomes ethical. Without putting it aside, a restriction at the level of salaries... because that was a risk of impacts on unemployment (Bureaucrat-EFI-2).

6.1.4.3 - CCTs in Chile, Budget control as an asset

Since the dictatorship, the role of the state has been shaped by the idea of keeping a balanced budget and the size of the state under control. Both political coalitions have shared those aims, and the policy makers of these two specific programmes emphasise those aims, highlighting the importance of budget control for all social policies and for the health of Chilean economy. An important part of that fiscal discipline was the implementation, of the structural budget surplus at the beginning of Lagos' government, which allowed the state to spend a little more when the economy was stagnated, and regain balance when economic activity increased (Arellano, 2011; Ffrench-Davis, 2015); this policy gave stability to public expenditure.

Remember that the fiscal policy of structural balance had already been announced in 2000, which, from an expenditure perspective, had the advantage of being able to plan more towards a mid-term. Because with a structural balance policy there is a greater stability in the evolution of expenditure. (Politician-SCH-3).

For each particular sector, their programme is the most important and is the main problem [...] the Budget Office can sometimes be harder, or more austere than many would like to be, and sometimes what should be. I think it plays a necessary role in the sense of having a larger compared picture, and in so doing, preserving the fiscal balances that are an important asset for Chile (Bureaucrat-EFI-2).

6.1.5 – Poverty as Lack of Income

In the previous chapters, it was shown that the extremely poor were characterised by policy makers as experiencing many shortcomings in several relevant dimensions, and that the deficit in human capital was the most important aspect. In this respect, some policy makers argue that these programmes – SCH and EFI – were based on a multidimensional understanding of poverty, which to some extent is true¹²⁴. However, as will be stressed here, the traditional understanding of poverty and

¹²⁴ As will be discussed in Chapter Seven, what is certain is that these programmes have an integral intervention approach, and deal with several dimensions in order to increase families' income.

its income indicator had primacy when compared to the others “dimensions”¹²⁵. The predominance of human capital shows the fundamental importance of the more traditional view which sees poverty as the lack of income, as a means to satisfy the needs of the families through the market.

What underlies the conceptualisation of the poverty phenomenon remains as something that is very much anchored in the ability to satisfy needs through the market, that is, income generation. Either more explicit or less explicit, but it is there. It is the conceptual platform in which the phenomenon is analysed, and policies are designed. EFI does not escape from that... sorry SCH (Researcher-9).

What lies behind in the definition of poverty... basically, I would say that, at the end, it is the most traditional version of poverty understood exclusively as the variable income rather than this multidimensional version. [...] if you consider poverty in terms of income, then let us solve the variable Income, and problem solved. (Researcher-4).

In this primacy of the view of poverty as a lack of income, the way in which the poverty is defined and measured in Latin America played a significant role. Following the advocacy from ECLAC, poverty has been measured by the method of the “cost of the basic needs”, which is expressed in a monetary threshold (Altimir, 1979; ECLAC, 2010, 2013; MIDEPLAN, 2004b, 2011). An interviewed advisor actually dismisses the relevance of the characterisation of the extremely poor population; he argues, ‘I think that measuring rather than the characterising... measuring poverty based on income is, in my opinion, a topic that largely determines the policies that are made afterwards. [...] What he [a politician] needed was the data, what interested him was the data from CASEN, what happened with poverty. And the data was monetary’ (Advisor-SCH-3). As has been argued in this research, the way in which the extremely poor were characterised – as a specific group clearly different from the rest – played an important role in the policy-making process, and should not be dismissed; although, as here has been stressed, the way in which poverty has been measured is also relevant.

¹²⁵ The traditional understanding of poverty refers it to “subsistence”, “needs”, or “material conditions” of this population; these aspects have usually been related to the command of “limited resources”, such as income, see Spicker (2007a; b). For this approach in Latin America, (see ECLAC, 2013; Feres and Mancero, 2001; Grupo de Rio, 2007); this conception has been questioned by several authors, (see Townsend, 1979; Sen, 2000; Laderchi, Saith and Stewart, 2010).

There we firstly have a point that I think is very relevant to highlight. [... In Chile] historically poverty has been associated with the income. And I think that has largely determined how poverty has been addressed, i.e., through an income approach, a monetarist approach, we might call it, where cash transfer appears as the central topic. (Advisor-SCH-3).

The use of the cash transfer has been justified by this traditional conception of poverty. Additionally, this way of understanding poverty and measuring it is coherent and reinforced the short-term logic of public policies in Chile and the limited scope of the SCH and EFI programmes. Policy makers in general, and politician in particular, are keen to have interventions which can be straightforwardly presented as success; as a researcher asserts regarding the cash transfer, 'what happens to a person who manages from the State, an economist or any other person; it is easier to talk about cash transfer and evaluate it as a goal' (Researcher-8).

This leads us to two related issues which, from the understanding of poverty as a lack of income, contributed to the selection of the CCT's model and the programmes aiming to tackle poverty in Chile. First, the problematic issue of designing programmes to merely affect the indicator of that social problem, in this case, to diminish the poverty measured in monetary terms. As a researcher showed, the possibility for the cash transfers in the CCTs to affect the indicator was very appealing for the politicians involved; they were keen to show that kind of success. Consequently, if the what is seek is enhancing the gaze about the intervention, one unavoidable task is changing the way in which poverty and extreme poverty have been measured. Second, another reason why the CCT programmes were very appealing to politicians was because the cash transfer system gains votes to the government coalition. Due to the use of means test and other practical issues, the CCTs have escaped clientelist practices to some extent; however, providing cash transfers in itself could provide electoral support.

'The "cancer" of designing policies pointing directly to affect indicators...It is [was] a cancer that SCH was not able to escape from; that is, the indicator remained. Because from the point of view of macro evaluation, you had not incorporated any alternative gaze. And you will continue evaluating poverty, as a country, in terms of monetary indigence. If you wanted to change that, the design has to be something that is reflected in the next CASEN (survey)'. (Researcher-9).

One reason that the CCTs may have been adopted so quickly is [was] because cash transfer gives votes. Besides it is consistent with the poverty indicator. In the end, one transfers money, produces circulating [money] and this will have an immediate impact on the indicator, and given how governments think in the short term, it is naturally attractive. (Researcher-6).

6.2 - Setting the Stage for the Intervention

In the CPE, the “variation” mechanism implies the emergence of different interpretations about the world, usually triggered by new challenges or crises. Regarding the analysis of specific public policies, particularly the “intervention”, this mechanism refers to the policy makers’ conviction that previous intervention instruments had failed or were not enough to deal with the social problem. As will be examined in Chapter Seven, the policy makers of both programmes questioned the way in which the country had dealt with the poverty problem. In SCH, policy makers criticised the ways in which previous public programmes had approached the extremely poor; likewise, the designers of the EFI build this programme based on the criticisms made to the SCH. All these elements have been presented in previous chapters, and they were relevant to justify the adoption of the specific features in the two Chilean programmes.

In addition to the above aspects, one key element triggering the variation process in the intervention was the Condition Cash Transfer as a model for a poverty-tackling programme available for selection by the policy makers. This model to address poverty, was developed from the experience of Brazil and Mexico at the end of the 1990s and the beginning of the 2000s, and was more or less available as an option for the designers of the SCH. Later, at the time of EFI, it was the established model, ready to use by policy makers (Cecchini and Madariaga, 2011; Fiszbein and Schady, 2009; Valencia Lomelí, 2008; Cecchini, Robles and Vargas, 2012; Papadopoulos and Velázquez Leyer, 2016). In what follows, the presence of this strategy in the crucial moments of the design of SCH will be discussed, highlighting the role of the actors which supported that inclusion; then, the EFI case and a brief account on why the CCT model was so appealing for politicians and policy makers are presented.

6.2.1 - CCT strategy

6.2.1.1 - CCTs and Solidarity Chile

At the time that extreme poverty was put into the spotlight during Lagos' Government, the WB was promoting the CCT as a poverty relief policy in Latin America, endorsing it as a model and highlighting the pioneering experiences in Mexico and Brazil (Sugiyama, 2011; Teichman, 2007; Osorio, 2014b; Peck and Theodore, 2015). Therefore, for the design of SCH, the diagnostic about the "hard-core" hypothesis or the disengagement of extremely poor people from public programmes were not the only aspects considered; the role played by the WB was also relevant. Thus, on the one hand, there was the Lagos' political decision to do something about extreme poverty; on the other hand, there was the model of the CCTs advocated by the WB, which in that particular junction was already working with the Budget Office in a reformulation of the policies to tackle extreme poverty.

And President Lagos wanted to do something powerful, say, to put in place something powerful on poverty issues. Given the then situation in which the WB came across this team who had been thinking of reformulating everything that had been done. (Advisor-SCH-3).

At that time the WB was promoting the CCTs in different countries in Latin America, which later became known as the "CTT wave" in the region. Consequently, this type of programme was replicated in almost all Latin American countries. In some countries this was done with the financial support of the WB by means of credits; in other nations, such as Chile, support came in the form of expert advice. An insider in the government vividly describes the role of the World Bank at that moment in Chile, and how those representatives from the Bank were clear in their aim to promote the CCTs in the Chilean Government. As will be discussed later, regarding SCH as a CCT (fifth section of Chapter Seven), it is fair to say that the CCT applied in Chile underwent modifications in comparison to the model (Osorio, 2014b; Peck and Theodore, 2015; Cecchini and Martínez, 2012). To some extent, this was because the WB had less leverage in the country (Teichman, 2007). Nonetheless, it was clear that the model was there, was accessible, and was advocated by a reputed international actor.

The WB had been fostering conditional cash transfers in different countries, so that it was like a wave in Latin America running this type of programmes [...]. In the case of Chile, there were

some experts who gave advice here; in other countries, it was more than that, there was financial support (Advisor-SCH-3).

Then I remember a meeting, in which Cecilia Perez arrives and tells me, 'the President [Lagos] called us to a meeting, because you are the head of the Social Division, [...] Veronica Silva of FOSIS and I as a minister [...].' He starts talking and says, 'Well, this is what the WB is proposing,'... because that was clear as such, right? The WB is the one that is drawing the line of the CCTs. That clear. [Lagos continued] 'This is a policy that is going to be installed throughout Latin America'. So, I was in shock. So, here social imperialism imposes itself in a spectacular way (Bureaucrat-SCH-2).

6.2.1.2 - CCTs and the Ethical Family Income

In the case of EFI, the CCT model was much more consolidated, for 2010 or 2011 there were several evaluations of the experiences in many countries in Latin America. Also in the region, the WB had published its textbook (Fiszbein and Schady, 2009) and there were some attempts to distinguish between the different types of CCTs in Latin America (Cecchini and Madariaga, 2011). In addition, it should be noted that Chile was implementing SCH, a CCT programme. It seems that once in the government, EFI policy makers were convinced of implementing another CCT programme with some modifications, particularly in regards to increasing the amount of the cash transfer and incorporating the Subsidy for Women Employment. As was discussed before, that was not the original option, because in the presidential campaign it was thought a negative tax income, but promptly the Piñera's government moved towards a CCT.

And this was taking shape during the government programme. Then, we looked at the design of CCTs in other countries a bit; that is, we sought how the transfer programmes were designed in other countries. A conditional transfer programme was chosen in which a cash transfer was paid per school attendance...there were health bonuses, and that is how the government started a scheme of conditional transfers (Bureaucrat-EFI-1).

Piñera's government commenced and the idea they had was to make a CCT. If you notice there is a type of CCT where the focus is on the transfer (Researcher-2).

- *Interviewer: And was the framework that they were proposing always this CCT?*

- *Yes, of course. Plus the Subsidy for Women Employment, which was the copy of the subsidy to young employment [...]. But that was always the theoretical framework (Advisor-EFI-2).*

6.2.1.3 - Appealing of the CCT model

Finally, the CCTs as a model to tackle poverty appeared to be a very seductive policy for the Latin American political elites. There are several elements that should be considered; some of these elements have been already discussed, such as the low pressure to the national budget; therefore, the CCTs did not carry bigger tax reforms and are coherent with a smaller size of the state and a residual welfare regime. Specifically related to poverty reduction, the main appeal of the CCT was in the link between short and long-term poverty strategy; the CCTs promised that in the short-term it would be possible to reduce poverty using the cash transfer and that in the long-term, the conditions would promote human capital accumulation in the families to break the intergenerational reproduction of poverty.

Because the CCTs were born with the idea of killing two birds with one stone, say, in the short-term, to lower the income poverty and, above all, to increase the level of family consumption through the transfer. And in the long-term, to strengthen the human capital, so children who will get to the labour market will be inserted better, and the intergenerational circle of poverty could be broken (Researcher-2).

What is it that generated the most impact on decision-makers? The link between short and long term [that is] investment in human capital. At that time, human capital was an attractive expression, [...] someone who spoke of human capital [referred to] increasing the opportunities that people have in the market, being able to generate more wages, more income, and making their education more profitable. So, in that sense, the link with the market is quite evident (Researcher-6).

Chapter's Conclusion

This chapter presented the link between the “construction of poverty as a problem” and the features selected for the “intervention” in the two Chilean poverty-tackling programmes under analysis. Here, key aspects setting the boundaries for the intervention and the most important features representing a change in the way to intervene poverty in Chile have been discussed. Regarding the boundaries of the intervention, the programmes only focussed on a specific group, namely, extremely poor people, which was regarded the policy makers as possessing particular characteristics. This issue has not been reiterated in this chapter, but it was, without a doubt, the most important diagnostic in both Chilean programmes.

The restricted focus on extremely poor people was based on a specific way to interpret the causes of poverty in that group, namely, the “want-based” approach. It has been shown that this particular way of seeing the causes of poverty carried the neglect of the “process-based” analysis of the causes of poverty. In short, the possible structural causes for poverty were not examined in both programmes by the policy makers; therefore, they did not play a role. Given the scope of the investigation, it is not possible to state that extreme poverty in Chile has structural causes. However, after examining the informed opinion of a number of interviewees, some aspects seem relevant to be considered in a poverty-tackling strategy, but were not included in the process. In particular, the diagnostic of these programmes neglected the different kinds of interaction between the characteristics of the individual and the opportunities structure. Thus, the emphasis was placed in the economic participation of the extremely poor population, but unfortunately there was not much analysis on the availability and the type of jobs they could access.

A second key aspect that set the boundaries of the intervention is the focus on families. In the previous chapter, the positive arguments for only intervening families were reviewed. This chapter has presented a complement to that in the rejection to intervene territories or communities. It is important to notice that, for the SCH policy makers, the rejection of a territorial or communitarian approach to poverty occurred because, in opinion of the policy makers, that strategy did not work before and there were some doubts about the unfair distribution of the resources within the communities. It was acknowledged that poverty in Chile had a territorial or communitarian component; therefore, improving the instruments could have been fruitful; however, that was not

considered. In the case of the policy makers of the EFI, a communitarian or territorial approach to poverty was not reviewed, and even if a consideration of the approach would have taken place, it is likely that the answer would have been the same, i.e. the focus should only be placed on families. In the reasons provided, there were no arguments rejecting the link between poverty and territories in Chile; therefore, this is a contested issue that remains unresolved and should be explored in the design of new poverty tackle policies.

The third aspect is the idea that the families need a specific intervention to overcome their extreme poverty situation. This derived from a particular understanding of poverty as a problem and it results in the use of the Psychosocial Support (next chapter). From the policy makers perspective, it was plausible and desirable to intervene in the attitudes, dispositions and practices of the extremely poor families. For each programme, the aim of that behavioural intervention is distinctive, but in both programmes, the extremely poor is thought as a subject in need for that intervention

The fourth aspect analysed is how the policy makers interpreted the role of the state. The subsidiary or residual role of the state did not change with SCH, but the specific approach to the extremely poor did change, and that is notorious. In the case of EFI, that subsidiary role assigned to the state was even clearer, not only from explicit accounts about it, but also in the transformation of the “ethical salary” into the “ethical income” made by Piñera’s government. For them, the state should not directly intervene in the labour market and its logic of price assignment. A proposal that elevates the minimum wage goes against the rules of the market, which in their opinion usually results in negative consequences. Moreover, for both political coalitions, controlling the budget balance and a limited size of the state was an asset of Chile, and that should be protected for everyone. Therefore, a broader poverty programme and a major role of the state in the welfare provision were dismissed as policy options.

In this chapter, the relevance of the material notion of poverty as a lack of income was discussed. Even if the characteristics of the poor were understood as multidimensional, the traditional way to think about poverty was still there and played a significant role in the selection of the cash transfers as a key instrument to tackle poverty. Finally, the availability of the CCT model, advocated by the WB as a new way to intervene poverty in Latin America, was addressed. This model of poverty intervention was a significant variation compared to what had been done before the design of SCH. The policy

makers of the EFI took the decision of not charge of strategy; instead, in their design the use of cash transfers and conditions expanded.

Chapter 7 – On the Intervention Features

Chapter's Introduction

The present chapter presents the main intervention features of Solidarity Chile and Ethical Family Income and discusses the rationality behind each, according to the policy makers. Considering both programmes, they have four components: 1) the cash transfer, 2) the use of conditionalities, 3) the attempt to engage the extremely poor people with the public programmes and benefits, and 4) the psychosocial support. In this chapter, each of these components will be analysed, stressing the diagnostic elements playing a role in each of them.

Thus, the first part will discuss the cash transfer and the justification for their use in both programmes, both as a tool to alleviate poverty and to incentivise certain behaviours. Then, the use of the cash transfer to enrol families in the Solidarity Chile (SCH) programme is addressed; in the case of Ethical Family Income (EFI), the different types of cash transfer included in the programme are examined. Finally, the role played by the idea of dependency in both programmes, and how they dealt with it are analysed. The second part reviews the use of conditionalities, in particular, its use to increase human capital and how these programmes considered the enforcement of the conditions.

The third and fourth parts discuss two distinctive components in the Chilean CCT programmes in relation to its peer programmes in Latin America. One of these components is the attempt to engage the extremely poor to public programmes; this key feature of the SCH was based on the specific diagnostic that people in extreme poverty were disengaged. This component continued in the EFI but without significance. For the policy makers that engagement was based on a rights approach; thus, the supposed use of that approach is also discussed and critically analysed. The fourth part examines the Psychosocial Support which in both programmes has the purpose of guiding and assisting the families. Then, the specific role assigned to Psychosocial Support in each programme is discussed; that is, engaging families with the public programmes in SCH and gradually incorporating extremely poor people to the labour market in EFI. Finally, the involvement of the State in these households is briefly addressed.

The fifth part of the chapter addresses whether SCH can be catalogued as a CCT or not. Some policy makers of this programme were keen to argue that it had a local origin, with diagnostic and features that move it away from the CCT wave. After considering the components, it is asserted that SCH is a CCT, albeit with its own specificities. The sixth part examines the role of women in these programmes, which required the previous discussion on the programme's components. Here, the pragmatic arguments for focussing the intervention on women are presented; then, the effects of these programmes on women empowerment and the reproduction of traditional gender roles are critically discussed. Finally, the Subsidy for Women Employment, a specific feature of EFI, is reviewed.

7.1 - Cash Transfer

7.1.1 – Cash Transfer to Alleviate Poverty

In both programmes, cash transfers aimed at alleviating poverty, which is a clear result of the way in which poverty has been measured in Chile, and the political effort to overcome poverty in the two governments¹²⁶. In the case of SCH, one of the original debates and a starting point in the policy design process was the use of the cash transfer to lessen poverty, its other purposes were built over that primary use. As a bureaucrat states, ‘the cash transfers’ role was always the income levelling; and that is the same exercise that the EFI did’ (Bureaucrat-SCH-4). In earlier meetings into the governments, the use of the cash transfer to alleviate poverty emerged as an option because the number of people in extreme poverty was fixed, relatively small and more importantly, the means test allowed for their identification. Using a guided transfer was very appealing to presidency advisors.

Then, President Lagos looked at the team of the Treasure Ministry and DIPRES, and told them: ‘so are you telling me that we know where these 700 thousand people are and that we could give them a check tomorrow?’ (Bureaucrat-SCH-3)

There was a certain kind of polarisation, say, between the more political world of La Moneda¹²⁷, not necessarily President Lagos. But basically the [staff from] second floor of La Moneda were more enthusiastic about the idea of a subsidy. (Politician-SCH-6)

As one bureaucrat of the SCH pointed out, the aim of the Cash Transfer was similar in both programmes. In EFI, that monetary support was seen as a short-term tool, available for families during their participation in the programme until they could be able to achieve the skills to be economically autonomous. As an advisor of the programme recognises, ‘it is going to take some time (being economically autonomous); and that is why there are money transfers’ (Advisor-EFI-1).

¹²⁶ In Chile, poverty was measured using the “cost of the basic needs” method, which is expressed as a monetary threshold. (See Altimir, 1979; ECLAC, 2010, 2013; MIDEPLAN, 2004b, 2011).

¹²⁷ “La Moneda” is the name of the Chilean Government Palace.

In the short term, the EFI would give bonuses to families, because, at the end of the day, when you do not have resources, the family has to survive anyway. That is why, ultimately, a bonus is given while the family is in the programme (Politician-EFI-2).

The logic of monetary transfer is twofold. On the one hand, to mitigate the need within a short-term, but equally, it is tied-up time, or to give an incentive that could... encourage families to take certain actions that, in our view, were in their favour (Politician-EFI-1)

7.1.2 – Cash Transfer to Induce Behaviours

As a politician of the EFI argued, cash transfers not only were introduced to alleviate poverty, but they also sought to incentive some behaviours which were regarded as beneficial for the families themselves. These were conceptualised as ‘economic incentives that depend on the fulfilment of certain things’, and regarding those conditions, that politician continues, ‘we tried not to “reinvent the wheel,” that is, not to ask families things that were too different from things that already existed’ (Politician-EFI-1). The use of cash transfer to encourage certain behaviours is at the core of the CCT as a model, which is seen as being advocated in the economic literature.

Regarding incentives, obviously they are at the heart of the conditional cash transfers. These are conditioned precisely to generate incentives. [...] The World Bank has at least two books with reviews of how these programmes have intervened, and in general they have found that these programmes do provide incentives. (Researcher-7)

In EFI these incentives are not only directed to actions regarded as positive; in addition, policy makers thought that extremely poor people had to be encouraged in their attempts to increase their human capital (education and health) and in their endeavours to participate in the labour market. This is because they were thought to be facing many shortcomings, privations and setbacks; without those incentives, these families would probably remain doing the same. Therefore, the cash transfer was a kind of prize or reward for their efforts.

It was necessary to reward the families who were striving. The idea was that many of these families strived but got frustrated. Then they would not keep trying because there was no

reward for their efforts, so they had to be rewarded with the labour exception, that is, they had to be rewarded because of their children grades [...]. That was the kind of logic. We had to be given signs that if they tried harder and got further into society, they had to be rewarded. (Advisor-EFI-2)

I think that there was a sort of 'too much' from the people who had been designing the programme. 'Excess' or abuse in the use of the behavioural instruments, that is to say, the idea that you could affect behaviours, because you would suppose that they were virtuous behaviours; in other words, putting a little bit of transfer here or a transfer there, one here, one there (Advisor-EFI-1).

According to SCH policy makers, the main purpose of the cash transfer was to enrol the families in the programme (see next sub-section). However, the idea of the cash transfer as an incentive was also part of it, and it sought to promote certain behaviours in the extremely poor. As a bureaucrat of the programme argues, 'what tended to happen is that [the cash transfer] would rather transform into an opportunity for the family to make decisions about what to do with that money' (Bureaucrat-SCH-4). It was also an incentive for certain goals. Thus, with to a greater or lesser extent, both programmes used the cash transfer to incentivise the families to do what was thought was beneficial for them; as some analysts of poverty policies argued, the notion these two programmes have regarding the extremely poor people is very negative, as it implies that these people have an incorrect conduct and that stepping out of poverty only requires motivation.

Incentives that would allow families not only to receive a subsidy, but this subsidy or whatever should be associated with particular commitments or goals (Advisor-SCH-2).

And about the SCH bonus, well... if the people see that the programme facilitates their social inclusion, they do not need a carrot, they are not animals, they are not Pavlov's little mice who need an economic incentive for that. (Researcher-8).

[As for IEF] But with all the vices of the former system, with more conditioned subsidy, with more behavioural conditioning, reinforcing the message to the poor that they are poor because their behaviour is incorrect... it is wrong. If they could regulate their behaviour, they will overcome poverty [...]. Then, the message of SCH was reinforced, but here there is a brutal level. (Researcher-3).

7.1.3 – Solidarity Chile – Cash Transfer to Enrol

As was described before, the SCH diagnostic was that the people in extreme poverty were disengaged from the public programmes targeted to them and that they did not receive the benefits (stipends) to which they were entitled. Thus, the programme guarantees the already existing cash transfers for the beneficiaries of the programme, in particular the Family Allowance (SUF), the Assistance Pension (PASIS) and the Subsidy of Drinking Water. In addition to those, SCH introduced a specific cash transfer called Social Protection Allowance. As a politician states, ‘the bonus specifically was actually an incentive for adhesion. That is, it was very important because the principle of the programme always was the willingness of families’ (Politician-SCH-4). This new transference supported the enrolment of families in the programme; moreover, it contributed to palliate the high operation costs for the families participating in the programme.

I understand that the bonus was an invention of the President Lagos... we never thought to give them anything, because we thought that it could spoil the process. If it had not been for the bonus, we would not probably have had so much adherence. (Bureaucrat-SCH-5)

[The bonus] supports the intervention, [...] because families were being asked to make a very high effort of institutionalisation. In this respect, we would say that doing too many procedures such as going to an institution where they did not use to go before. That has a high operational cost for families (Bureaucrat-SCH-4).

7.1.4 – Ethical Family Income – Types of Cash Transfers

As was presented in Chapter One (see Table 8), EFI has three types of cash transfers which seek to intervene specific aspects and incentivise a change in behaviour in the families participating in the programme. As was stated before, the cash transfers are divided into three pillars called “dignity”, “duties”, and “achievements”. In words of a politician, ‘the “dignity” part was literally “assistentialist,” where one assumes that the family needs to have incomes and that these incomes are not for them to participate and so on, but this income is for them to eat. In the end, it is a subsistence issue’ (Politician-EFI-2). The dignity pillar is part of the assistentialist role of the state which is regarded as unavoidable because people need to be supported; society would be indecent if it allowed people to

live in very deprived conditions. The “Duties” pillar refers to the cash transfer which is conditioned to health and education requirements, which was monitored using administrative checks.

The society cannot allow that its members to be under a certain minimum, which is a minimum of decency. But not decency within the person, but the society would be indecent if it allowed people to live under that minimum (Politician-EFI-1).

The part of “duties”, [...] which very much discussed, but a part of the cash transfers would be given to the family so that they could fulfil their responsibilities [...] such as to send children to school; or for the children to have their health check-ups. (Politician-EFI-2).

The third type of cash transfer is called “Achievements”; it is targeted to the 30% most vulnerable people and not only to the extremely poor people. It consists of two different bonuses, one for School Achievement (high grades) and the other one is the Subsidy for Women Employment¹²⁸ (MDS, 2014; Cecchini, Robles and Vargas, 2012; Vargas, 2014). For the policy makers of the programme, “Duties” transferences incentivise basic and simple actions which every family should do. In contrast, the “Achievements” cash transfer rewards exceptional actions which carry particular efforts made by the families in extreme poverty. According to the policy makers, the School Achievement bonus sought to incentive parental involvement in their children’s education. Policy makers discussed its design with experts from the Inter-American Development Bank (IDB), who recommended that the prizes be few and only given for legitimised issues.

And the bonus for “achievement” was based on the idea that you had to reward behaviours that were exceptional and beyond what they are supposed to be doing... that this was something extra. [...] And for the families that there was something exceptionally good, such as the case of the Subsidy for Women's Employment, because for a woman to enter the world of work is a big challenge. Or the School Achievement Bonus in case of children who were particularly good at school (Politician-EFI-2).

¹²⁸ The Subsidy for Women Employment will be analysed in the sixth section of the present chapter.

We wanted [was] that this is not a burden for the child, [although] it was partly so because the parents were going to encourage him, but it was mainly for parents to be involved in the education of their children (Bureaucrat-EFI-3).

Moreover, one of the great things that these IDB gurus told us is, 'all these prizes should be a few'. You can give a lot of money, but they can only be for three or four things, and they have to be socially legitimised; so those who do not receive that benefit would say, 'Well, but they are at least doing something' (Bureaucrat-EFI-3).

Two are the criticisms to the EFI cash transfers, and they are related to the complexity of the scheme and the use of monetary incentives for high grades in children. Regarding the former, using several types of bonuses to encourage specific behaviours creates an intricate scheme that is hard to understand. A politician in the other political coalition does not hesitate to label it 'a delicacy of a group. This is properly of a technocrat [...]. They gave themselves a pleasure with the design' (Politician-SCH-5). This complexity could lead to some beneficiaries not knowing how much money they will receive in a particular month. The consequence of this, as a researcher pointed out, is a significant failure in the nurturing of co-responsibility, which the EFI tries to develop.

When we did qualitative interviews to families who were in the programme, [...] I would say, basically, they had two problems. First, related to the excess of technification, say, they never knew how much money they were going to receive, and they never understood why they received that amount. [...] So I would say, strictly speaking, that the technical design of the Ministry works "perfect", but for the family it does not. [...] clearly, for the logic of co-responsibility, you must effectively make people co-responsible; but for that, they need to know for what they are co-responsible. (Researcher-4).

The second criticism to EFI cash transfers refers to the use of incentives for high grades of children, as this transference could put the weight of improving the family's income on the shoulders of children. This would leave aside many conditions playing a part in school performance, some of them related to poverty. This individual logic is based on the assumption that school grades reflect effort, and has only been applied in this programme and not other Latin American CCTs.

To me, the most deplorable is the point when you have a bonus for school performance, and you impose on children the obligation to improve the family income per child who gets a 6 [mark]¹²⁹. As if it depended on him! As if there were no conditions? How many things are not being considered? (Bureaucrat-SCH-2).

This logic of Individual effort, especially in this component that is very rare, [because] I do not know any other similar programme in Latin America, that is, [a programme] that has this component of rewards [...] rewards for efforts. Let's say, it is very neoliberal logic of rewarding efforts and particularly the individual effort (Researcher-4).

7.1.5 – Dependency

The possibility that this kind of programme could produce dependence in poor people was something that policy makers were clearly aware of. In the case of SCH, as someone who participated in the programme design meetings recalls, a group argued that the cash transfers were 'not going to have the effect of getting people out of poverty; rather it would create dependence on these subsidies; well... the whole vicious circle of dependence' (Advisor-SCH-4). That concern was strongly influenced by the stories from the US and Europe regarding the crisis of the welfare state and the abuse of unemployment insurance. Consequently, the SCH cash transfer was only established for two years and, its amount decreased over this period. The idea of dependency as an issue in the design of the EFI was clear; for a politician, the transience of the cash transfers sought 'not to generate dependency on any of the benefits. That is why many of the benefits diminish in time' (Politician-EFI-2). Both programmes were designed under the same assumption; however, none of the interviewees cited research suggesting that the cash transfers in Chile had generated dependency. This was just a possibility given the experiences reported in other countries.

It seems to me that in general the social policy in Chile at that time, until now, but at that particular time, and the previous decade [1990s], was very much influenced by the stories that were coming from social policies in the US, Europe, which at that time the welfare state was in crisis. Many studies began to emerge, there were badly designed policies that had created dependency, and that many people in Europe were abusing, regarding the unemployment insurance. (Advisor-EFI-1).

¹²⁹ The interviewee gave examples by using the Chilean school grading system.

Well, in that approach SCH was similar, that is, it has a time period that it eventually ends; and so does this one [EFI]. Its spirit was always not to create dependence (Researcher-7).

7.2 – Conditionalities

7.2.2 – Conditions – Human Capital

In the programmes, the conditions are used to increase human capital in the families. For example, a politician of the EFI asserts that ‘the great long-term tool for a family is the education of their children. Moreover, here the intervention had to do with supporting the children at school, with the Preferential Schooling Grant, or other grants¹³⁰; also, with the conditionality of the cash transfers, so children that had a level of school attendance’ (Politician-EFI-2). Some have criticised the CCTs because they conditioned school attendance in countries with high enrolment rates such as Chile. Hence, conditioning education could be more related to the deservingness logic¹³¹; however, the policy makers of the EFI justified its use for incentivising daily school attendance.

The idea was that this programme had to take people out of poverty, that is, to break the intergenerational circle of poverty. So, if you were to get more children to go to school, there was good evidence that the children were going less to school than any other control group. (Bureaucrat-EFI-1).

In the end, there was education and health, which is [was] the other requirement, that is, to have children with the vaccines. (Politician-EFI-2).

7.2.1 – Conditions – Enforcement

Another important difference between both programmes is the enforcement and surveillance of the conditions. In broad terms, SCH conditions were laxer, whilst EFI conditions were enforced. In SCH, the conditions existed, as the families had to work with the counsellor and follow their

¹³⁰ The interviewee was referring to other specific programmes of the Education Ministry.

¹³¹ For example (see Villatoro, 2012; Valencia Lomelí, 2008; Cohen and Franco, 2010). Also, this point was made by the interviewed (Researcher-4).

recommendations. However, this was not thoroughly supervised by the counsellor or the bureaucratic apparatus of the programme. Thus, it seems that the programme did not operate with a focus on punishment; however, as it is discussed later (section five of the present Chapter) SCH was built over an already existing cash transfer that was conditioned, namely, the Unique Family Allowance (SUF).

Never did the conditionality of [cash] transfers [in Solidarity Chile] really worked, until the EFI. It never functioned as conditional, strictly speaking. (Bureaucrat-SCH-4).

The permanence in the [SCH] programme has to do with other things, but in general, it never operated in a punishing way; [...] only very few cases responded with that [punishing] dynamics. (Researcher-3).

As a person entered the system, the cash transfer would immediately be activated. This was not conditioned. The rest was conditioned... the Unique Family Allowance [SUF]. (Bureaucrat-SCH-5).

For EFI policy makers, SCH almost did not have conditions, as a bureaucrat rhetorically argues: ‘what was the condition? Participating in the programme [in SCH], that is very light’ (Bureaucrat-EFI-1). In short, SCH was regarded as a programme with very lax conditions, and the conditions associated to the Unique Family Allowance (SUF) were not considered. Thus, EFI was designed considering these issues: it imposed clear and rigorous conditions for the cash transfers and established an administrative system to monitor them. The inclusion of conditions was not only justified by their content (enhancing human capital), but also because they could socially legitimise the cash transfer to the rest of the population, as they were not regarded as a gift, and families were doing something in exchange.

- *[SCH] gave a lot but requested very little.*
- *Interviewer: Why? Was it because conditions were very lax?*
- *Of course. There was no inspection. They did not ask anything. (Advisor-EFI-2).*

The validation issue that was very important. For the families who were not part of the programme... let me choose the words well,... that if these transfers were to be made, these transfers were not a gift. Instead, that there to be something real in return; the transfers had to be validated in some way. (Bureaucrat-EFI-1).

7.3 - Engaging with the Public Programmes

In line with the SCH diagnostic, one of the critical elements of this programme was the attempt to connect extremely poor people with State benefits and programmes available for them. This engagement between these families and the public programmes was one of the tasks of Psychosocial Support. SCH was designed under the assumption that the state had several programmes which were suitable for these people in extreme poverty and covered key and meaningful dimensions. However, as a bureaucrat said, that was not the case, as the decision was to work with what was available and once it was implemented, pressure the intra-government for new benefits. In its design, the EFI kept this component; nevertheless, it has lost its relevance.

It was assumed that all the needs that could affect the families in extreme poverty would be supplied, say, by the existing offer of social programmes. (Advisor-EFI-1).

- *Interviewer: Did this public offer exist?*
- *It did not exist as such... what we found... say, one of the basic principles of the system was 'we have to harness with the oxen we have.' (Bureaucrat-SCH-5).*

I believe that the greatest feature of SCH is this effort of articulating the public programmes; and in the end, that is part of what the EFI loses. (Researcher-4).

7.3.1 – Rights Approach

SCH presented itself as a programme based on a rights approach, and this was mainly expressed in the access to public programmes and benefits which were guaranteed in their allocation to the people in extreme poverty. As will be showed later concerning Psychosocial Support, counsellors represented the State, a State that go to extremely poor homes and engaging the families. As a politician affirms, 'this was the first time it was stated that the social policy actively seeks and approaches the citizen and not the other way around. [...] they were not consumers nor beneficiaries, but they were subjects and citizens' (Politician-SCH-5). Until that time, extremely poor people had to apply for social benefits, but with SCH the State became responsible for the exercise of rights.

Families that had the right to access certain benefits and had not had access to those benefits. So, the logic was how we, as the State, make these rights be exercised by those who have them. (Bureaucrat-SCH-1).

The EFI programme openly does not have a rights approach. Actually, it was rejected as a discourse and replaced by a more transactional model involving incentives and prizes. Thus, in order to gain access to the benefits, people have to make efforts and show that they are doing things, i.e. they must show co-responsibility. Moreover, the available positions in the programme were allocated by means of quotas, as it was done in SCH; therefore, the rights approach of that programme became blurred¹³².

The right-wing did not accept this discourse of guaranteed social rights, and they invented this thing of the “prize.” You have rights to certain things, but you have to make efforts to get them, you have to show me something. So, how do you show me something? Get into the labour market; your kids do well in school, they strive; you go to health control. Ultimately, you give me something and I give you something. It is like a transactional model (Advisor-EFI-2).

Ultimately, here [EFI] the entrance is with quotas; the same as with SCH. Why? Because it is a way of narrowing down the size of the benefit. On the contrary, if this is for all those who have less than 4200 in the Social Protection Record [means-test], all of them would get in. That would mean a very strong financial impact (Bureaucrat-EFI-3).

7.3.1.1 - Rights and Quotas

Both Chilean CCTs selected their beneficiaries using quotas. In the case of the EFI the main argument for that was the substantial financial impact that a programme including all the people with the right to be there could have, accordingly to their score in the means-test. In practical terms, the programme does not explicitly guarantee access. Thus, as a bureaucrat explains, in the case of a sudden rise in unemployment, ‘you would have to have more psychologists in the Axis Programme and much more money in the transference, etc. [A rights approach means] that tying up ‘ex – ante’ to compromises

¹³² As a counterargument, the health reform, also designed by Lagos (AUGE Plan), did indeed consider universal access and explicit guarantees to health treatments; though only for certain health conditions. See Larrañaga (2011) and Robles (2012).

beforehand when you can give them is super nice, and what if you cannot give them later?’ (Bureaucrat-EFI-3).

For SCH, and the EFI later, for better or for worse, from the very beginning, allocation has been a programme by quotas whereby the selected ones are put in lists, that is, these are the ones that enter. This has never been perceived or understood as a programme of explicit guarantees. (Bureaucrat-EFI-2).

The reason for using quotas in SCH was similar to the one for EFI, although the weight was not put on the financial burden the programme could have in the future. In opinion of the policy makers, it was not possible to include all the families at the same time, because of the budget and the administrative burden that a programme for 225 thousand families would require. As a politician explains, ‘there were two possibilities of gradualness: “territorial”, then we went to all the families in some communes; or gradualness of “families” [...] the political decision was to go to all the communes, at the same time. If we didn’t do it like this, the whole effect of the measure would break’ (Politician-SCH-4).

An estimated number of 50 was established... at the beginning they were 47 thousand [families], and then, 50 thousand (Politician-SCH-4).

7.3.1.2 - About the supposed Rights Approach

Some interviewees questioned the idea that SCH actually had a rights approach. For instance, a researcher argued: ‘the quotas will continue expanding, depending on budget availability, that is a denial, by definition, of the “rights approach”. Because the “rights approach”, in the end, is for all those who require it, regardless of the funds’ (Researcher-4). This could be related to the influence of the WB in the design of SCH, which does not have a rights approach. Moreover, considering the guaranteed access policy in the programmes and benefits, it should be noted that that this is only for the extremely poor people.

[This is related to] that the executive secretary and that the entire design of SCH was WB, that is, to follow the WB's logic of installing transfer programs, is not a rights-based approach. That is Social Risk Management by individuals (Researcher-4).

SCH has that component of access to a guarantee package. That connects more with the logic of rights, at least rhetorically [...]. 'Ok, we will select the 0.0005 percent of the population, [irony] but we will give them access to a guaranteed package of benefits.' And that is SCH, a hybrid. In terms of resources, liberalism commands. (Researcher-6).

7.4 - Psychosocial Support

7.4.1 – Supporting Families

The Psychosocial Support is the distinctive component of SCH, which was later reformulated in EFI. Behind it were two ideas previously discussed; the idea that extremely poor people were a group with specific characteristics (Chapter Five), and the idea that they required support (Chapter Six). For the SCH, the counsellor represented the State approaching to these families; it had two purposes. The first purpose was to know the families, as in order to achieve a better design of public policies more information than their means test scores was required. The second purpose, as a bureaucrat explains, was that 'this psychosocial counselling that puts in conversation with the family intends to find alternatives to improve their wellbeing situation' (Bureaucrat-SCH-4). To do that, SCH attempted to build a psycho-affective or psycho-emotional relationship between the counsellors and the extremely poor families, which was done through the work of the minimum threshold of the programme¹³³.

Our intention, the design, was as follows: you have a family under the indigent score, extremely poor, within 5.6%. But you know that family only for their number, for that synthesis of the index figure [CAS record]. When you visit their home, knock at their door, through that family support, the State knows the house, lives with them, talks to them and discovers what the family is like and what their dreams are, their prospects [...]. The intent was that [this

¹³³ The minimum thresholds expresses the enabling elements to be linked up with the public programmes and the 'basic standards of quality of life that must be guaranteed' (MIDEPLAN, 2009, p.66). In the encounters with the counsellors, these meetings were organised through these minimum thresholds.

approach] would give us new information, different, tremendously valuable. What for? To impact public programmes and practices (Politician-SCH-4).

They will have more information and they will have a psycho-affective or psycho-emotional experience through the relationship with a State agent for 24 months, which will be characterised by a support bond, a therapeutic one, I would say -but here that word is a bit complicated in that area (Bureaucrat-SCH-5).

In the EFI, as a politician recalls, Psychological Support has ‘an important focus on education, health issues, housing issues, all issues of social inclusion; also, there was the identification, identity card’ (Politician-EFI-2). When compared to SCH, the Socio-Labour Support component was added to EFI, which specifically promoted the autonomous income. In addition, the use of the “minimum thresholds” was dismissed; those minimum thresholds gave the everyday tasks and method to the meetings between the counsellor and the family in SCH. From the other sidewalk, the EFI’s approach to Psychosocial Support was criticised because the method of work was eliminated and the discussion about income generation was put in another place; consequently, in the opinion of the policy makers of the SCH, the Psychological Support of the EFI was something similar to a psychological therapy.

But, what was the problem, from my point of view? Even though it was extraordinarily right to remove the socio-labour support function and to specialise it [...], it also removed structure and took the method away; therefore, it takes away the sense of the Psychosocial Support, because it removed all minimal thresholds [...]. [In the EFI] they are working with the dreams of the families (Bureaucrat-SCH-4).

That was based on a social work method, which is called task-centred treatment. This is a social work method more ancient than the invention of the wheel. And if you do not set up tasks and goals, why the heck do you go to the psychologist? You go and talk about how you feel and that helps you elaborate some things and that is okay. But it is irresponsible to do that with poor people, not because they are poor, but because the person in charge is not qualified (Bureaucrat-SCH-5).

7.4.2 – Solidarity Chile – Engagement

The Bridge Programme was a main aspect of the SCH, it encompassed the Psychosocial Support and had the objective of engaging the extremely poor people with the benefits and public programmes available for them. As a bureaucrat explains it, ‘it is the one-stop window and your one-stop window is the Psychosocial Support, not even the municipality, no’ (Bureaucrat-SCH-1). This was the response to that disengagement diagnostics, creating a “bridge” between the public benefits and the families. In the words of a politician, it is ‘a state that advances, it moves. That goes and connects in the figure of this family counsellor’ (Politician-SCH-4). The lack of ID was the symbol of that diagnosed disengagement and a key tool to integrate the families in the public programmes and benefits; therefore, one of the first activities of the counsellors with the families was to work on the Identification dimension, as SCH provided the ID to everyone.

There was an institutional view, [...] so, what it did was to bring the families closer to the institutional ambit, starting with their identification (Researcher-1).

The identification [dimension] went through a long debate because there were people who did not consider that that was worthwhile or comparable, say, to other dimensions. (Politician-SCH-4).

One of the concerns was that the people had to be registered in the Civil Registry, then they had to have their ID card (Politician-SCH-1).

7.4.3 – Ethical Family Income – Axis Programme

As was presented in Chapter Four, EFI policy makers criticised the Psychosocial Support model of the SCH for two reasons; first, it lacked a precise diagnostic of the distinct needs and resources each family had; second, that diagnostic was not necessary because, as they argued, in SCH the prescription was the same for each family in the programme. Consequently, the EFI had a component called “Axis Programme”, which had the task to develop an accurate diagnostic of each family, and then provide suggestions and coordinate the Psychosocial and Socio-Labour Support.

The first challenge was that a diagnosis had to be made and it had to be done well. The other [second] challenge was that we were forced to have a good management since intervention is

not standard... instead it is designed for a specific family, for the needs of a particular family.
(Politician-EFI-2).

7.4.4 – Ethical Family Income – Socio-Labour Support

7.4.4.1 - Diagnostic

In order to promote the generation of autonomous income, the EFI design contemplates different levels of intervention. Thus, a politician affirms that ‘the work issue is very important [...] since that was not simply about fulfilling certain administrative tasks; rather it was about having a certain installed capacity, habits, or creating certain behaviours that are more, say, ego-syntonic, to the labour life’ (Politician-EFI-1). According to the policy makers of EFI, in SCH the labour intervention only involved administrative procedures, when what was really necessary was to guide and support these people. Thus, in EFI the figure of the labour counsellor was crucial. The first level of intervention was the diagnostic of the labour potential of the family members, which could result in: a) training for salaried jobs or, b) support towards starting a microbusiness.

Then the issue of labour support was something that various studies had shown that it was something necessary for the person to actually join the labour world, I mean, not only the training and the job sizing, but also labour accompaniment, i.e. someone who is escorting in the process (Politician-EFI-2).

7.4.4.2 - Socio-Labour Support and Sizing

After the diagnostic, the second level of intervention included Socio-Labour Support as such and also the job sizing activities. This aspect was part of the second level because all of the individuals qualified as able to work were assigned a labour counsellor and participated in a sort of job sizing procedure, done by either the counsellor or as part of a training course. Thus, to enhance the employability of extremely poor people, they would need to nurture their soft skills, which include improving their appearance (hair, beard, etc.) and incorporating certain habits for the labour life, such as respecting working hours or strengthening their jobs interview skills (this was the job sizing procedure). Along with this, the labour counsellor had to actively encourage poor people in their job search,

accompanying and emotionally supporting them, as it was thought that these extremely poor people were almost incapable of overcoming frustration in that process.

In some cases what was needed was a job sizing. That meant you would tell them, 'For your next interview, you have to shave, have your hair cut, and come on time.' That is 'job sizing,' the most basic of the basics. Others needed training, [...] they needed to learn another craft or improve their skills in a job they already knew (Bureaucrat-EFI-1).

This was not only that they would go and register at OMIL¹³⁴ or apply for a job. No, it was to accompany them and ask, 'How was it?' 'I don't want to go to work again because the boss treated me badly.' 'Don't worry, calm down. The important thing is to go again. If you want I'll accompany you, but I stay at distance' (Politician-EFI-1).

For the EFI policy makers, dealing with the frustration of extremely poor people was key to the success of the whole programme. As a politician argues, 'repairing teeth, repairing their appearance a little, even receiving training on a craft. That is not enough because the process of job insertion is a rather frustrating period' (Politician-EFI-2). Hence, their approach was to give people hope in their labour inclusion, and that was present in the design and implementation of the training courses by favouring institutions and courses that fostered a personal attitude to face life. This also meant having longer courses, improving their quality and having better facilities. If the job sizing and the Socio-Labour support formed the second level of intervention; participating in these training courses or receiving support for a microbusiness constituted the third level of labour intervention in the EFI.

- *During all sizing, the woman could have hope as well...*
- *Interviewer: Why hope?*
- *I went to many of these courses to see what they were like. People were kind of negative, 'I have zero chances in life.' Frustrated capacity, absolute frustration, and it was like the course itself would give them possibilities. I particularly saw that in two training institutions that were linked to the Catholic Church. They would provide something else; not just the course and earn money. They also generated a personal aptitude, a proposal*

¹³⁴ Municipal labour intermediation office.

to face life [...]. How do you give hope to that person? ...that there is something else in addition to the money. (Bureaucrat-EFI-4).

It was about dignifying the place where you are being trained. Not in those awful places where we had crappy social trainings. I would feel ashamed if we send someone there (Bureaucrat-EFI-4).

7.4.4.3 - Labour Intermediation

The fourth level of the labour intervention in the EFI was Intermediation. After the job sizing and training procedures it was necessary to connect the persons with the labour market; as one bureaucrat describes, 'at the end of the day, when you improved the image of the guy, how do you connect him/her with the market? [...] labour intermediation in Chile is quite bad' (Bureaucrat-EFI-3). The programme attempted to follow specific business requirements and provide the necessary training to meet that demand; thus, the Labour Ministry incorporated the beneficiaries of the EFI in a system that privileged training institutions (OTEC by its Spanish acronym) that have already reached agreements with business.

We would say that OTEC was the one that designed the course proposal, [...] let's make the programme this way, so that the ones who are decentralised in Chile should be making the offer. It is not us, as the State who would define, because we do not know what is happening in the business (Bureaucrat-EFI-4).

7.4.4.4 - About Microbusiness

Finally, in the EFI model for labour inclusion of the people in extreme poverty, one possible option was to support the creation of microbusinesses. Therefore, one path was training and intermediation, and microbusiness was another option. As a bureaucrat who participated in the programme's design openly explains, 'our view was many entrepreneurs, call it right-wing government [...], nice because it is the civilian doing their own stuff with the State supporting and giving the development tools to reach that level' (Bureaucrat-EFI-3). However, FOSIS has been fostering microbusinesses since its creation in 1990, and SCH attempted similar interventions with results that were not promising. In the majority of the cases, success stories were activities only based on the household and sold in the same neighbourhoods where many other families were doing similar activities.

Successful FOSIS entrepreneurship projects are the ones that sell pastries, homemade bread, because they involve that the family stay home doing something and in so doing, they generate income. (Bureaucrat-Both-1).

SCH was full of women who hung up candy; they sold cupcakes, but as this happened every other house, children would eat them. But how many cupcakes can they sell if everyone thought of doing the same every two blocks? [...] Do not invent entrepreneurs, some may become so, but the vast majority cannot (Politician-SCH-5).

7.4.5 – State into the Household

The final point to be made about the Psychosocial Support in both programmes, is to notice that with the this component, the idea that the State should get into the homes of the extremely poor to guide and teach them. As a bureaucrat who participated in the design of the SCH Psychosocial Support affirms, ‘there was something about class: why were social workers allowed to get into the homes of poor families and say that children are poorly cared for? And this is not to say that I am against taking action in favour of child care, but why cannot they enter other people’s homes? Why do they always come to the same houses?’ (Bureaucrat-SCH-5). Thus, the Psychosocial Support suppose that the poor people should not have a private life and given that they are poor, they do not have too much of a choice.

So, [it was compulsory] to look for them in their homes and the State would arrive and get into their house. Obviously, because the poor are the only ones who do not have privacy (Researcher-3).

How dare you to think of asking someone who is poor whether he or she wants to do something or not? They are poor, and they have to do what there is for them (Bureaucrat-SCH-5).

7.5 – Solidarity Chile as Conditional Cash Transfer Programme

In this research the SCH has been regarded as a CCT, for a number of reasons, which will be explained here. However, it should be noted that some policy makers argue that the programme was not a CCT. They state that when the programme was designed, the paradigmatic examples of the CCTs – Mexico and Brazil – existed; although, they argue that SCH was different from the that model because of two key features: the cash transfer was not the axis, and the conditions were practically not enforced. Along with that, they claimed that the WB did not interfere in the programme's design.

This programme [SCH] you might think it CCT¹³⁵, mmmm, yes and no. [...] Even the role of international agencies, mainly the WB, was for evaluate. All the Bank's money was for evaluation and technical support of the integrated system of social information. [...] Why? Because here the transfers are not the axis, the transfer is small and decreasing in time (Bureaucrat-SCH-1).

Now, I think it is also important to point out that we did all the SCH design when the other pioneering CCTs in Latin America, PROGRESA in Mexico and Bolsa Familia [Brazil], had not been long [...]. I remember that we had already started SCH when I and the person from MIDEPLAN were invited to a seminar in Mexico to discuss the WB's famous evaluation [...]. And to a large extent, SCH was quite different from those other CCTs (Politician-SCH-3).

The number of papers and books regarding SCH as CCT is quite impressive; SCH is sought as part of the regional wave, and the Psychosocial Support is considered as the specific feature of the programme¹³⁶. Besides, a bureaucrat who was part of the programme since its inception faced the question whether SCH was a CCT or not; she replies: 'one thing is how I see it, another thing is what it is like. I would be happy if it weren't a tool of... say, a bargaining chip of conditional transfer. I would love if it were only the exercise of a citizen's right' (Bureaucrat-SCH-5). In what follows, three elements will be discussed regarding SCH: Conditions, Cash Transfer and the WB model.

¹³⁵ The interviewer is referring to the "Information project sheet", handed to all the participants at the start of the interview. See Appendix.

¹³⁶ For example, (see Cecchini and Madariaga, 2011; Cecchini and Martínez, 2012; Fiszbein and Schady, 2009; CEPAL-DAG, 2013; Cohen and Franco, 2006; Peck and Theodore, 2015; Sugiyama, 2011; Teichman, 2007; Osorio, 2014b; Villatoro, 2012; Valencia Lomelí, 2008; Martínez Franzoni and Voorend, 2011; Lavinas, 2013).

- *SCH always defend themselves, in a corporate fashion, saying that they are not a CCT programme. Have they told you so?*
- *Interviewer: [Someone] made it clear to me.*
- *The first thing they tell you is it isn't. In all literature, throughout Latin America, [SCH] appears as a modal example of CCT programme and they say the opposite, and that's funny (Researcher-4).*

Regarding conditions, SCH exhibited a low level of enforcement, which is similar to the Brazilian CCT (Cecchini and Madariaga, 2011; Fiszbein and Schady, 2009; Peck and Theodore, 2015; Villatoro, 2012). Although not thoroughly enforced, the SCH actually required a discussion of the seven dimensions of the programme with the counsellor to access the cash transfers¹³⁷. The families could choose which dimension to work first, but in two years they had to cover all the dimensions. Regarding the cash transfer, SCH created a new one which was small and it seemed not conditioned. However, another component of SCH was the access to the existing cash transfers, in particular the Unique Family Allowance (SUF by its Spanish initials). What is important here is that this SUF was in itself a CCT; it was given to families under the condition of sending the children to school and receiving health check-ups.

For a long time in Chile, the conditional cash transfers have existed; and the best example is the Family Allowance, formerly known as Unique Family Allowance [SUF], [... they] receive it but under the condition of maintaining their children within health control and in the school system (Bureaucrat-Both-1).

In fact, the SUF [Unique Family Allowance], which has existed since 1980, is a conditional transfer [...] It emerged as a conditional transfer [with] the same conditions as the EFI. The children must be taken to school and to health check-ups (Politician-SCH-4).

To sum up, there were other CCTs with a lax enforcement of the conditions (Brazil). And given the fact that SCH embraced the Unique Family Allowance/SUF, it actually had conditions in exchange for the cash transfers. Also, the purpose of the SUF was to alleviate poverty, so it was virtually a CCT. However,

¹³⁷ These dimensions were worked through the minimum thresholds.

why the Unique Family Allowance/SUF started to be considered as a CCT only at a later stage?¹³⁸ This can be explained for the influence of the WB's logic and the idea of enhancing the families' human capital; only after that was noticed that the SUF had the same characteristics of a CCT.

The role of the WB was decisive in the CCT wave and the adoption of the model in Chile, even if some policy makers were not aware of that or other denied it. As a politician familiarised with the Chile Neighbourhood programme states, 'those were the two approaches, (1) The 'I build networks to solve the poverty problem' was ultimately the design approach by President Frei [Chile Neighbourhood]; (2) and later under the influence of "Oportunidades" of Mexico [...]. Then comes the SCH, but the programme clearly has the defect that you raise: it does not build networks' (Politician-SCH-1). The evidence regarding the crucial role of the WB is the adoption CCT model in the SCH is overwhelming, not only because that is logical, but also because some of them were there and saw the WB officials promoting the CCTs in Chile.

And I remember talking to Claudia¹³⁹ and she told me a little later: 'In those meetings we were totally convinced that we were inventing something beautiful, wonderful, new, and that we were bringing all possible creativity of the world. And then, we went and looked to the sides and all over Latin America was doing the same, and we did not realise that' (Researcher-4).

Then I recognise [to Silva] that the families needed some support. Affirming from that, that the issue of conditional cash transfers is a "chilensis" invention because the Budget Office had decided that this was to be done yes or yes; to me do not come with that dialogue, a lie! Here came a gentleman, I insist, to my office, Truman Packard and Polly, Berg I suppose [about her surname], and Ariel Fiszbein, all these guys. They arrived [and say]: 'no, this is the way'. Besides, it does not seem strange to you that, later, all Latin America has the same thing? (Bureaucrat-SCH-2).

¹³⁸ See Grondona (2011), and Lavinas (2013).

¹³⁹ She participated in the programme design meetings.

7.6 – Gender Issues

The interventions of the Chilean CCTs were mainly allocated to women; the main difference between them was the Subsidy for Women Employment of the EFL. Both programmes privileged giving the cash transfers to the woman, even if she was not the head of household. In SCH, Psychosocial Support was meant to be developed with the family, but by design, only the women in the house were required to do it, and the same continues in the EFL. The conditions were not allocated to the women in the family by design, but clearly, they became responsible for those, bringing the children to school and doing health check-ups.

7.6.1 – Intervening on Women - Pragmatic

The option of intervening women in the Psychosocial Support was discussed by the SCH policy makers in a pragmatic way; women stay at home more than men, they are more responsible and look after the children. As a politician states, ‘the explanation is that women are more responsible with money than men, period, period. And it is more likely that in the daily meetings with family counsellors with the family, it was the woman who will be permanently there. In fact, it was like that’ (Politician-SCH-4). Working with the women of the family was presented in a very pragmatic fashion: the women are at home, they take care of the children; therefore, the programme has to use what is there and that was not questioned at that time. Moreover, the idea that women would use that money for the welfare of the family was widely extended in the CCT programmes.

It is less ideological. It is quite pragmatic. It is pragmatic because, in general, if you look at the people, [... there are] many young kids; and what you have in Chile in the poorest quintile or in the poorest decile, having a lot of children makes a woman remain at home, even until today. It was easier [because] it is the woman who goes to the municipality. It is the woman who fills out the forms, goes to the school, and goes with their children. So, let's not do anything other than what there is; let's use what there is (Bureaucrat-SCH-1).

They [men] might spend it on other things. It is riskier than with a woman (Politician-SCH-5).

I think the main reason was that if the man managed the resources, these would be for beer, spree and so on (Researcher-2).

In EFI, it seems that the policy makers just took the recipe of the CCT model implying that women manage better the money. With respect to making women responsible for the main features of the programme, the decision was again taken due to pragmatic reasons. However, as a bureaucrat observes, 'a strategic alliance has always been talked about, very focused on women, in the sense that it is the woman who oftentimes is the head of household in these cases; the one who is supposed to be more concerned about her children and committed to their future' (Bureaucrat-EFI-2). Thus, the idea that these programmes could reproduce traditional roles was not questioned.

Again, I think that the EFI, rather than reflection, there is a recipe. And the recipe is for women because women manage the household resources better, which is true, by the way (Researcher-4).

That the woman was the object of the policy in the family. That was more a practicality matter rather than ideology in this case [...] it made sense that this was for woman. There was never a discussion about that it ultimately reproduced roles. (Advisor-EFI-2).

7.6.2 – On the Effects of the Focus on Women

7.6.2.1 - Positive side – Empowering women and take them out of homes

According to the policy makers and researchers who are familiar with these programmes, making the women the main subjects for intervention resulted in positive and negative effects. On the positive side, women could be more empowered because they were able to manage an income within the household, which led to more awareness of their role in the family and its relation with the State. Regarding Psychosocial Support, as a researcher specialised in gender argues, 'the fact that women leave the house and have contact with someone outside the home is already a plus. Even if it is not productive, [...] women in extreme poverty are locked up in their homes, because they do not work, because they are housewives' (Researcher-1).

The experience indicates that this has generated women's empowerment, which is also very important (Politician-SCH-5).

7.6.2.2 - Negative side – Reproduction of Traditional Roles

However, these programmes have also resulted in some issues which clearly hinder women's development and gender equality. The first issue is the perpetuation of the traditional gender roles. In practice, these programmes make women responsible for household work and, more importantly, for child care. Second, these programmes understood women in a utilitarian fashion; as a researcher affirms, 'in both [programmes] the woman is instrumentalised as a means to an end, which is to improve the situation of children. [...] Having a long-term vision of improving what they call "human capital", that is, improving the health and education levels of boys and girls' (Researcher-1). Thus, changes in the family roles were disincentivised, which was a deterrent for a more equal division of the responsibilities within the home.

The argument of the positive impact that this has in the empowerment of women, because now they manage their own resources and so on. And the negative impact argument is because it reproduces gender roles, as it leaves women in charge of the homework and taking care of children (Researcher-4).

[The Programmes] appeal to the traditional role of women [...], they will take responsibility that children eat well. (Researcher-1).

7.6.3 – Ethical Family Income – Subsidy for Women Employment

As was presented in Chapter Five, the feminisation of poverty was an important part of the diagnostic of the EFI regarding the high proportion of women heading households. In order to address that, this programme implemented the Subsidy for Women Employment, which increased the salary and reduced the costs for the employer hiring women from the two lower quintiles. This subsidy followed the scheme of a previous subsidy for youth labour insertion. Besides, for families in which men were there, the incorporation of the woman to the labour market as a second income earner could ensure that this family would overcome the poverty threshold. The EFI policy makers justified this subsidy in economic terms, and understood that women do not participate in the labour market mainly because they have a higher reservation wage. Therefore, this subsidy made labour inclusion more attractive.

Basically, the 40% Subsidy for Women Employment [...]; what it did was to bring women closer to the world of labour. Ultimately, it solved one of the issues, which is basically the higher cost of women entering the labour world. In general, women have a higher reserve wage than men because it has a higher alternative cost (Politician-EFI-2).

What about women? Why aren't they working? Thousands of answers. In economic fashion, the reserve wage is higher, that is, the cost of going to work, considering that she has to take the child with her; or, other option, someone takes care of her child. (Bureaucrat-EFI-3).

From the perspective of some researchers and some policy makers of the SCH, this subsidy for women employment is well regarded and goes in the right direction. Certainly, this component put even more burden on women's shoulders, as it is expected that women do more; however, it directly intervenes the feminisation of poverty and it is clearly coherent with the general vision of the programme – incentivise the generation of autonomous income. It is an attempt to have better results where they are more difficult to obtain.

And there was a component that I found important and positive in President Piñera programme, and that was the incorporation of a stipend for the woman who works; that is, an incentive to women's work. (Researcher-1).

Given that the purpose of the EFI is employment... sustainability through employment [...], if you impact women... if you focus there, you ensure a better income distribution, multiple impacts and everything. That is, you click on what is more difficult, but it is what expands with greater force. That was their bet. (Bureaucrat-SCH-1).

Chapter's Conclusion

In this chapter the different ways in which the programmes intervene were examined, along with a brief discussion on who mainly received the intervention: women in extremely poor families. These programmes, given their similarities, have four shared components that were analysed, highlighting their links with how was seen the extreme poverty as a problem, the rationality behind each component, and the continuity and differences between the programmes. The role of the cash transfer in alleviating poverty and inducing behaviours among the extremely poor was addressed. Regarding the EFI, the several types of cash transfer included in the programme were reviewed, together with its use as an interchange and a prize to model some behaviours regarded as positive for extremely poor people. The second component of these programmes is the use of conditionalities – the other and complementary side of the cash transfer – in order to promote certain new behaviours.

The component dealing with engagement with the public programmes was a key aim of the SCH that was also discussed. This component opens the way to questioning the alleged presence of the rights approach in the programme. Then, Psychosocial Support was presented as a distinctive feature of the Chilean CCT programmes; in both programmes the counsellors had the task of helping the families and contributing to their change of attitude and behaviour. Furthermore, Psychosocial Support had the task of engaging the families with what each programme considered as the crucial mechanism for overcoming poverty. Thus, counsellors in SCH were the one-stop window to for access to public programmes. In the EFI, a more specific type of Psychosocial Support – Socio-Labour Support – aimed to engage some of these extremely poor families with the labour market.

To sum up, these two Chilean CCT programmes, each with their particular emphasis, had three main ways of tackling extreme poverty. The first one is the income of the cash transfer to alleviate poverty. The second way was using the cash transfer, the conditionalities and Psychological Support to increase human capital and overcome poverty in the long-term, either through the carrot, the stick or the advice. The third way to tackle extreme poverty was by engaging the families with the public programmes in the case of SCH, and engaging them with the labour market, in the EFI programme.

Finally, those interventions mainly rest on the shoulders of the women in each family. They are responsible for ensuring a correct and altruistic use of the income provided for the cash transfer. They

are in charge and are the instrument that will overcome poverty in their families in the long run – by increasing the human capital of their children. Moreover, these women are the ones who must modify certain behaviours through their interaction with the counsellors in order to produce those changes. Also, they have the responsibility to engage the family with public institutions in SCH. In the case of EFI, the burden of the engagement with the labour market was more equally distributed between men and women in the families, and the diagnostic of the Socio-Labour Support was not exclusively concerned with the women.

Chapter 8 – Concepts of Poverty

Chapter's Introduction

This chapter will address the way in which poverty has been conceptualised in the two Chilean poverty-tackling policies. As such, this chapter forms part of the conclusion of the present thesis; in fact, it is here where I address the most important elements of the research question. The chapter is arranged according to three of the six research questions, namely: 4) What are the concepts of poverty which these two policies have? 5) What was the role of the concepts of poverty in shaping these two policies? And, 6) what is the content of the broad approach to poverty in Chile?

The initial section of this chapter summarises the concepts of poverty emerging from Solidarity Chile and Ethical Family Income. Firstly, the meaning of being in poverty, the causes considered by these programmes and how the poor were sought by these programmes in terms of their condition and behaviours are examined. Secondly, given the centrality of the characteristics of poor people, the way in which policy makers conceptualised or imagined non-poor subjects as part of the goal in these programmes is characterised. In order to do that, two aspects of the “utopia as a method” approach developed by Ruth Levitas (2013) are reviewed.

The second section discusses the aspects that explain why policy makers selected the CCTs as the main strategy to deal with extreme poverty in the country, and what justifies the specific features in the programmes which they selected. These aspects highlight the importance of the diagnostics that policy makers performed, and the option of tackling extreme poverty with limited interventions such as the two CCTs, without the need to change the welfare regime and without incurring in substantial financial costs. Additionally, the role of the World Bank (WB) in promoting the CCTs is underscored, along with the appeal that the use of conditions has for the local policy makers; and the fact that women were deemed as available to perform the intervention on behalf of the programme.

The third section discusses, in a more analytical way, the broad approach to poverty in the two Chilean CCT Programmes. In particular, the crucial aspect how the policy makers understand poverty as the characteristic of poor people and their families is underlined, together with the way in which that

individualist approach dismissed more complex approaches to understanding poverty. This approach resulted in restricting the problem to the characteristics of poor people, instead of discussing poverty in relation to inequality or other pressing Chilean socioeconomic features in which poverty is embedded. In the last part of this section, the boundaries of a new approach to poverty that could overcome the several shortcomings of the approach to poverty used by the elites in Chile are outlined. These proposals are based on the thoughts of several experts in poverty studies.

8.1 – Concept of poverty - Characteristics of the non-poor

8.1.1- Concepts of Poverty in the Chilean CCT programmes.

In this research, the label “concepts of poverty” not only comprises what Lister (2004) understand as concepts of poverty – the meaning of being in poverty; it also comprises the way in which the causes of poverty have been understood, and several policy concepts related to poverty, such as underclass and targeting, which have played an even more important role in shaping the two Chilean CCT programmes. In this section, each of those strands will be presented.

Regarding the meaning of poverty, following Spicker’s (2007a) categorisation, both programmes have a similar understanding anchored in the first family of meanings – “material conditions”. Thus, the actual subsistence – i.e. the “need” – of extremely poor families was regarded as key for both programmes, with the concept of “limited resources” also playing a role in them. Furthermore, it is possible to identify a “pattern of deprivation” since both programmes regard that the extremely poor are deprived in several dimensions, and both programmes intervened in different aspects. With respect to the third family of meanings devised by Spicker (2007a) – “social position” –, the “social class” concept, which includes the underclass debate, was present in the understanding of poverty, and at least in the case of SCH, “exclusion” from public benefits was a key element for its understanding. Conversely, these programmes clearly did not have a “relative understanding of poverty”; neither the concepts of “lack of basic security” nor “lack of entitlements” were present.

Regarding the causes of poverty, it is clear that both programmes understood extreme poverty from the “want-based” approach. Thus, in both programmes, the objective population have differentiated characteristics in comparison to the rest, which explains their situation. In particular, the extremely poor do not have enough “human capital” to take advantage of the opportunities available in the economy. Likewise, they were regarded as lacking the motivation to provide for their families. Even more, these programmes regarded extremely poor families as having several risks such as being headed by women in single-parent families and living in families with many children and other economically inactive relatives. As was extensively discussed in Chapter Six, the causes of poverty understood from the “process-based” approach were not part of the analysis in these two Chilean CCTs.

Regarding the contents of the causes of poverty, the two programmes clearly conclude that extreme poverty in Chile is mainly a problem of “individuals”; in other words, these people are inadequate to take advantage of the opportunities that policy makers suppose exists in the Chilean economy. Therefore, it is the task of these programmes, along with other public policies such as the educational system, to provide the extremely poor with the tools to accomplish a better inclusion. Nevertheless, in opinion of the policy makers, it will be their responsibility whether to take advantage of those possibilities or not.

Moreover, these two programmes – and the whole CCT wave – are part of the relatively new strand regarding poverty also as a result of “market-failures”. The shortage of human capital is an example of this, but more importantly, this can be seen in the attempt to incorporate the extreme poor into the market by using the cash transfer and the incentives for their labour inclusion. Finally, concerning the perspective emphasising “power” in understanding the causes of poverty, both programmes emerged out of presidential decisions to tackle poverty (see Chapter Four) given the nature of the concept itself – an unacceptable hardship that demands an intervention (Spicker, 2007a; b). However, as will be argued later, the focus on poverty as a social problem was a way of avoiding the pressing issue of inequality in Chile.

Michael Katz (2015) identifies other two perspectives on the content of the causes of poverty – “places” and “political economy” – that were not considered by SCH and EFI policy makers. The focus on the families and individuals in these programmes dismissed any concerns regarding the role played by the “neighbourhoods and places”. Moreover, there is no reflection on how the neoliberal transformations of the economy could have left significant segments of the population behind. These dynamics were acknowledged, but the focus was only placed on the inadequacy of the individuals to be part of the labour markets. It should be noted that the perspectives of “places” and “political economy” were emphasised by several interviewed researchers; therefore, there was a high possibility that those issues were known by the policy makers.

Regarding the poverty concepts emerging from the policy debate, it can be stated that these programmes understood the extremely poverty as significantly different from the rest of society, as their situation was mainly explained by the shortage of human capital. Crucially, both programmes

consider that extreme poverty was reproduced in the families; otherwise, the extremely poor would only be the segment at the bottom. Given that the beneficiaries were selected using targeting, these programmes re-enacted the old distinction between “deserving and undeserving” poor in its two meanings, first, by considering their deprived economic conditions to allocate the benefits and; second, by acknowledging that some extremely poor people did not display the right behaviour, therefore incentivising appropriate ones. Both programmes included the idea of “able-bodied” as individuals who would earn a living by finding a job, although this is more explicitly stated in EFI.

In the distinction between the “able-bodied” and the others resonates the debates about “dependency”; the notion that some extremely poor people could take advantage of these type of programmes. The policy makers have been concerned with this, even when none of them cited a research in which dependency – as was conceptualised in the US – was actually present in Chile. In terms of the “reciprocity” that the extremely poor should have towards the support provided to them, EFI regards this more in terms of an interchange between the beneficiaries and the rest of society – represented by the State; the perspective of SCH is more nuanced in this respect.

Considering the Psychosocial Support component, both programmes presuppose that extremely poor people needed guidance, both to engage with the public programmes – in the case of SCH – or to be incorporated in the labour market – in the case of EFI. Although, that guidance goes further that engaging with the public programmes or the labour market. These programmes understand that the extremely poor families are in a despair condition and in constant crisis. Thus, the Psychosocial and Socio-Labour Support attempted to help the extremely poor to manage their budget (they spend unwisely), to prioritise their needs (they do not know what they need the most), to mobilize their assets (they cannot identify what they are good at), to improve their image (they look and behave wrongly), to amend their behaviour in the labour context (they have a bad attitude towards working), and to change their stance towards life (they are passive, dependent and short-term-driven).

Regarding the conditionalities, these programmes are based on the assumption that the shortage of the human capital was due to the families make wrong decisions and they do not prioritise investing in it; or because given to their deprived situation, extremely poor people cannot achieve the optimal level of human capital, they are focused on coping with their pressing situation. Whatever the case may be, for the policy makers that shortage is not caused by a deficiency or weakness in the offer of

educational and health services; to them, the quality and the opportunity in the provision of these services was out of the question. Consequently, it was only necessary to incentivise action in these extremely poor families.

8.1.2- Characteristics of the non-poor

Following the “poverty imaginaries”, outlined in Chapter Three, the previous section discussed the way in which poverty as a problem was understood by the two programmes and, to a lesser extent, the concepts behind the interventions proposed. This section will address the third aspect of the “poverty imaginaries”; that is, how the non-poor were understood by the policy makers, that as a criterion of success of these programmes. This is another way to see what the concepts of poverty were, and specifically how the extremely poor people were sought by the designers of the two Chilean CCTs. This is related to the concept of utopia; Levitas (2013) identified four distinctive ways in which utopia has been understood: 1) a desire for a better world; 2) an irrelevant fantasy, 3) a prefigurative practice, albeit limited, and; 4) a more holistic outline of an alternative society. Levitas includes her proposal of “utopia as a method” in the last one. For her, it ‘provides a critical tool for exposing the limitation of current policy discourses (... Archaeological). It facilitates genuinely holistic thinking about possible futures (... Architectural). It requires us to think about our conceptions of human needs and human flourishing in those possible futures (Ontological)’ (2013 xi). That reference summarised the three aspects of the method: Archaeological, Architectural and Ontological.

8.1.2.1 - Non-Poor – Utopia, Archaeological Aspect

In the present research, the focus is placed on two Chilean CCTs, and not Levitas’ broad concern on economic growth and sustainability. Therefore, the “architectural” aspect seems less relevant in this respect. Regarding the “archaeological” aspect, both programmes aim to defeat extreme poverty and through that, significantly lower poverty rates. According to Levitas, this aspect carries ‘the imaginary reconstruction of the models of the good society underpinning policy, politics and culture’ (2013, p.154). In this case, it is fair to conclude that these programmes neither attempted to considerably change Chilean society, nor to change the welfare regime. These were limited policies and, as such, their scope was limited. In order to achieve the policy goal, first and foremost, a significantly change in the extremely poor families was needed. To some extent, these programmes assumed that the functioning of the economy was fine and that only particular changes were required in the relationship

between the State and these families, changes that were strictly bound to specific areas, i.e. only one ministry and some programmes in other State departments.

Particularly with respect to SCH, through the help of the counsellors it was attempted to build a different relationship between the state and the extremely poor people, having a more active public sector which would be able to engage this population segment with several specialised programmes aiming to address the many dimensions of their wellbeing, such as education, health, income, housing, and intra-family relationships. In the case of EFI, the public sector should have been able to prepare these families and incentivise them to achieve economic autonomy. In both cases, these specific roles for the public sector were sought as transient; a successful programme would lead to a situation in which these interventions are not necessary anymore. However, as these programmes follow the distinction between “able-bodied” and “impotent” individuals, the assistance given to the “impotent” would have to continue.

There are some poor people due to the structural poverty, for mental and physical problems (...) we were aware that there are cases which really we must help and that is for good or for a long period. Now, about the moderately healthy guys (...) basically it is give them what is necessary, so they will not need help later (Bureaucrats-EFI-3).

8.1.2.2 - Non-Poor – Utopia, Ontological Aspect

Most importantly, the “ontological” aspect formulated by Levitas is a relevant one for the present research. It attempts to assess ‘what kind of people particular societies develop and encourage’ (Levitas, 2013, p.153). As Levitas stated, it includes ‘excavating the assumptions about human nature and human flourishing that are embedded in political positions and institutional proposals’ (2013, p.178)¹⁴⁰. Despite the similarities between both programmes, the conceptions of the non-poor are different, and that difference is explained by the emphasis of EFI in labour inclusion, and the focus of SCH on the engagement with public programmes.

¹⁴⁰ Levitas recognised that the issue of the human nature is highly contested, and the challenge is to approach an ‘utopian ontology without evading the question of human nature and human flourishing yet while preserving the sense of their historical determination’ (Levitas, 2013, p.179).

In the case of SCH, having a paid job was not an immediate objective of the programme. They regarded work as an activity that exceeds employment for a salary. The emphasis was in other dimensions that would result in enhancing the family's income in the mid-term. Thus, in the words of a bureaucrat who participated in the design of the programme, a family who successfully "graduates" from SCH 'would be an informed family, really, super aware of what their rights are (...) families who were well empowered of their rights' (Bureaucrats-SCH-5). For the programme, non-poor successful beneficiaries would be people able to overcome extreme poverty on their own if they had to face the same precarious situation again. This could be done because they have enhanced and diversified their networks, and they have better abilities to defeat determinism and believe in themselves. The engagement with public programmes not only results in an informed citizen, it also results in graduated beneficiaries having access to a better network, a public network.

Nobody says they will not return to a vulnerable situation. What is claimed is that when they are again, they will be able to get out on their own. Because we will have enhanced, diversified, densified their network [...]. Moreover, we will have given them ... we will have developed soft skills with them, which will allow them, psychologically, to reinterpret that determinism and start believing that they can, that they can get out on their own, that there are resources in the environment (Bureaucrats-SCH-5).

The focus on the autonomous income of EFI clearly sets the boundaries regarding the way in which this programme understands the non-poor. Here, the extent to which the family knows their rights and the public programmes is less relevant; instead, after the intervention, the relevant aspect is that the beneficiaries would be empowered to participate in the labour market without the help of someone else. What was expected is that individuals could use the abilities learned in the programme and could resolve their problems and feel confident that they can do it. Additionally, a successful graduate of EFI would know how critical enhancing human capital in their families is.

- *Interviewer: How did you imagine the person who would successfully leave the IEF?*
- *Let's see ... If you had asked me about the CHS, I would have told you that given the methodology, [... a person] who knew how to move in the State network, someone who knew how the State works and to whom she has to go to speak in the municipality.*

With that in mind, I would have expected from this [EFI ...] to regain confidence in the ability to find a job, (someone) able to solve a problem on their own, someone who would feel more self-valence, more self-empowered. [...] “Empowered” meaning “I am able to achieve something” [... in particular] something that has to do with the labour market. And at the same time, [a person who would be] much more aware of the importance that their children had to be healthy and that they had to comply with education. (Politician-EFI-1)

Because both programmes – and despite their differences – conceptualise the poor as passive, and without confidence given the appalling situation in which they are immersed. Individuals who have successfully completed these programmes were conceptualised as those who would have confidence in themselves, with the ability to overcome their difficulties and engaging with the key source of their future wellbeing. For SCH, this source would be their connection with the public programmes, whilst for EFI, it would be labour opportunities. In the end, it seems that these programmes are more like a “passage stage” to become autonomous.

8.2 – Aspects behind the specific features of the programmes

As was discussed in Chapter Four, both programmes started with the political decision to regard extreme poverty as an urgent social problem that had to be addressed. This section will examine the seven main elements explaining why the policy makers chose to deal with this problem by means of a specific intervention based on the CCT model and the features of the Psychosocial and Socio-Labour Support. All of the elements discussed were relevant, and the order does not represent their primacy; rather, their order reconstructs a certain narrative. Each of these aspects will help answer the fifth research question of this Thesis, posed in the general introduction, i.e. what was the role of the concept of poverty in shape these two policies?

The first aspect that needs to be highlighted is the relevance of the specific diagnostics that the policy makers had. These considerations shape the later selection of the features in the two programmes; of course, this is rather obvious and affirmed by several authors (Bacchi, 2009; Bletsas, 2007; O’Connor, 2001; Katz, 2015; Spicker, 2007b; Lister, 2004; Shaffer, 2015a; Harriss, 2009), but it should be re-

asserted. Thus, the fact that SCH exclusively intervened in extremely poor families was supported by the “hard-core” poverty hypothesis. In EFI, the focus on extreme poverty was based on similar assumptions because the families were considered as clearly different to the rest. In both cases, this was related to the concept of “underclass”. With respect to the Psychosocial Support of SCH, it was mainly based on the assumption that extremely poor people were disengaged, or excluded, from the public programmes and were in need of specialised support. EFI made similar assertions; the extremely poor were away from the labour market, unable to provide themselves with the necessary income, and in need of guidance to overcome their exclusion from those labour opportunities.

The second aspect to be underscored is the centrality of the measure of poverty in the understanding of the problem and the alternatives for intervention. At the time of the design of the programmes, Chile had a monetary measure of poverty based on the “cost of basic needs method” (MIDEPLAN, 2004b; MDS, 2011, 2015; ECLAC, 2013, 2015; Feres and Mancero, 2001). This was a measure that followed a restricted notion of poverty, anchored on the “material conditions”. Even though both programmes moved towards a more multidimensional understanding of poverty – as was discussed in Chapters Four, Six and Seven – both CCTs attempted to influence the monetary indicator of poverty using the cash transfer. Given that poverty was defined in monetary terms, the obvious way to tackle it was by allocating money to the families.

This attempt to influence the monetary indicator contributed to the idea that extreme poverty could be addressed by a fast, limited and focused intervention. Both administrations – Lagos and Piñera – built their programmes by means of a distinction between “deserving and undeserving” and the assumption that the “means test” could identify the most in need. This supported the notion that extreme poverty was a condition only affecting a limited and identifiable segment of the population. Consequently, it could be tackled by a specific intervention such as the cash transfer and promoting certain behaviours among them, without the need to consider broader socioeconomic conditions that could also explain extreme poverty in Chile.

The neglect of the idea that broader socioeconomic context not only resulted from the specific diagnostics, it was also reinforced by the academics’ interpretations of Chilean poverty trends (examined in Chapter One). In these interpretations, economic growth was deemed the most important factor towards poverty reduction in the 1990s and the 2000s. Accordingly, the role of

equality was dismissed. The salary trends were considered an effect of economic growth, and as an expression of the human capital held by each worker. Salaries were not seen as a result of a socioeconomic configuration or a possible factor to intervene for the purpose of tackling poverty. For all of this was crucial that the causes of poverty were conceptualised only from the “want-based” approach, because that approach ignores other processes which could be behind those trends.

The third aspect contributing to the selection of these type of programmes was the promise that with these fast, limited and focused interventions, Chile would be able to successfully tackle extreme poverty with no major changes to the subsidiary welfare regime or the role of the State. Welfare regimes in Europe have played an important role in alleviating poverty (Brady, 2009; Brady, Fullerton and Moren Cross, 2010; Fouarge and Layte, 2005; Esping-Andersen, 1990; Arts and Gelissen, 2002; Saunders, 2010); therefore, building more inclusive welfare arrangements in the country could have been an option to explore. However, this would have implied a considerable change in the role of the State, and an extensive tax reform to finance the welfare provision involved; that is to say, a different arrangement between employers, employees, families and the State. Therefore, the option of dealing with poverty with a specific policy was very appealing to both governments. On the one hand, this did not imply any major transformation in the neoliberal agreement; on the other hand, it avoided the risk of generating welfare dependency.

The fourth aspect is closely related to the previous one. As Lavinas (2013) and others have argued¹⁴¹, the CCT programmes are relatively cheap and represent only a small part of the GDP of countries in Latin America. The cost of SCH was only 0.2% of the GDP (Raczynski, 2008, p.25) and the EFI budget showed a similar figure. Thus, the possibility of overcoming poverty at a very low cost was an important reason to choose the CCTs in Latin America and in Chile, which was reinforced by the neoliberal ideas of keeping the budget controlled and avoiding overspending (Harvey, 2005; Jessop, 2013a; Peck, 2010; Solimano, 2012). This concern regarding the reduction of fiscal deficit was quintessential to the Washington Consensus (Rodrik, 2006), was a decisive feature of the neoliberal reforms in Chile during the dictatorship (Garretón, 2012; Ffrench-Davis, 2001; Meller, 1996), and was key part of the economic consensus in Chile after 1990 (Ffrench-Davis, 2015; Arellano, 2011; Solimano, 2012; Guardia, 2009).

¹⁴¹ See Valencia Lomelí (2008), Raczynski (2008), Cohen and Villatoro (2006), Cohen and Franco (2006) and Osorio (2014b).

The existence of the CCT model is the fifth aspect considered. The model was created in Mexico and Brazil, and was quickly embraced and advocated by the WB and other multilateral institutions in the region as the norm and model ready to copy (Sugiyama, 2011; Osorio, 2014b; Peck and Theodore, 2015; Teichman, 2007). The Chilean CCT programmes had particular features, and formed a specific category in a typology (Cecchini and Madariaga, 2011); however, they are part of a regional trend which needs to be acknowledged. The appeal of the model to the policy makers can be explained by aspects already discussed, such as its attempt to increase human capital, the focus on poor population, its promise of being a fast and limited intervention that could kill several development birds with one stone, and the relatively low cost of the intervention.

Apart from these factors, two elements played a role in the policy diffusion process in the region. First, the CCT model was not advocated in the vacuum but as something “that works”. The Mexican CCT was designed with a “randomised control trial”, which is regarded by some as the cutting-edge method to evaluate policy interventions (Ravallion, 2016; Shaffer, 2011). As Peck and Theodore (2015) argued, the inclusion of that evaluation tool was not accidental; the Mexican CCT was designed with the close advice of WB officials, who recommended its use¹⁴² and later promote the CCT model as the one “that works” (Peck and Theodore, 2015; Fiszbein and Schady, 2009). In the case of Solidarity Chile, when the programme was designed the evaluation was not ready, though the Mexican programme was known to the policy makers; in the rest of the region that famous evaluation played an influential role.

The second factor is more important in the Chilean context because that evaluation of the Mexican programme was not ready at that time. This factor is related to the reputation held by WB officials among local policy makers. Reputation is an image about someone else shared among a group of people; it can be positive or negative, it can be shared by a large population or by restricted groups, and it can last for a short or a long period of time. For instance, celebrities usually experience a short period of positive reputation among large populations (Lang and Lang, 2001). In the case of the WB officials, their reputation was positive, shared by a restricted group and for a long time. Charles Camic, as part of a long-lasting academic project focusing on the actual processes of social knowledge making

¹⁴² In the case of SCH, the WB also advocated the inclusion of an evaluation, and in order to achieve this, Chile received financial support from the Bank (Galasso and Carneiro, 2007; Raczynski, 2008). That evaluation was the one criticised by Larrañaga and his colleagues (2009) due to it lacking a baseline.

(Camic and Gross, 2001), analysed the role played by reputation in the predecessor selection of Talcott Parsons when he was making his book “The Structure of Social Action”. Camic (1992) convincingly argued that Parsons knew and shared the analyses of the “American institutionalists” at that time, but instead of choosing them as predecessors, he opted for the four European theorists who held a much greater reputation among Parson’s colleagues in Harvard. Thus, according to Camic, the selection of the predecessors cannot be explained, only by shared ideas (content-fit model).

Reputation is not alien to the CPE; in her analysis of the policy discourse of “competitiveness”, Ngai-Ling Sum (2009) acknowledged the role played by the reputation of Michael Porter. Moreover, Osorio (2014b) asserts the role of the prestige of the CCT model and its proponents in the “learning” and “emulation” mechanisms of CCTs’ policy diffusion. In SCH, the Budget Office invited the WB to evaluate the public policies, given its reputation; as Teichman (2007) showed, they reinforced the Budget Office’s position in the government. Some policy makers in Chile were not in the position to disregard the reputation of the WB¹⁴³. This does not mean that they did not embrace the WB proposals; as Camic (1992, p.437) argued, ‘the process was self-reinforcing: The more Parsons focused on the writings of Marshall, Pareto, Weber, and Durkheim, the more he derived for his developing theory from these sources’.

The sixth aspect contributing to the selection of the specific features in these programmes is related to the use of conditions. As was discussed, conditions try to enhance the human capital of the extremely poor which, due to market failures, their human capital was not enough to make them overcome their deprived situation. Along with this, the use of conditions is justified by the so-called “political economic argument” (Fiszbein and Schady, 2009). The cash transfer system makes sense because it alleviated monetary poverty; however, the transfers are not always well received by other members of society, who could regard these as a gift to the poor people, promoting dependency. This is the decisive argument behind the use of conditions, i.e. the “co-responsibility”: the extremely poor people have to do something in exchange. (Lavinas, 2013; Cohen and Franco, 2006; Villatoro, 2012; Valencia Lomelí, 2008; Peck and Theodore, 2015; Garmany, 2016; Rojas, 2010; Arriagada and Mathivet, 2007; Standing, 2011).

¹⁴³ ‘Reputation, however, was not something that the young Parsons was in a position to disregard. Like most serious intellectuals, Parsons sought to build an argument that was intellectually credible both to informed parties likely to encounter the argument and to himself’ (Camic, 1992, p.435).

Finally, the seventh aspect to be highlighted in this concise summary is the assigned role to women in the CCT model. Poor women are the main actors on which the CCT intervention relies; they are the subjects to be intervened and are regarded as responsible for the family wellbeing (Arriagada and Mathivet, 2007; Rojas, 2010; CEPAL-DAG, 2013; Molyneux, 2007; Tabbush, 2010). As Macnicol (1987) highlighted, a crucial aspect in the notion of “underclass” is the idea that poverty is transmitted intergenerationally, otherwise, they would be only the ones at the bottom of the income scale, and because of that, the mothers were the key element to intervene. In previous chapters it was asserted that focusing the intervention on women was based on the idea that they take better care of the family’s income, on the feminisation of poverty, and on conservative views of family. Another crucial factor was the pragmatic notion that women in extremely poor families were available to perform the activities that these programmes require. Therefore, to the policy makers, the CCT model offered a short-term alleviation of poverty – by means of cash transfer – and a way to deal with the intergenerational reproduction of poverty. It also offered an available subject on which to perform the intervention and at a very low cost: the women. And this was even more important in the Chilean CCT programmes, because both have a decisive component which is not included in other programmes, namely, Psychosocial Support, which rested on women’s shoulders almost by design.

8.3 – Broad approaches to poverty in Chile

In previous sections, the concepts of poverty included in the two policies were presented, and through them, the notion of the non-poor emerging from the programmes was examined. Also, the role of these poverty concepts in shaping the CCTs in general, and the Chilean CCTs in particular was discussed. The broad approach to poverty underlying those poverty concepts are reviewed in this section, exposing its consequences for the aim of tackling poverty. In short, the approach to poverty in these two Chilean CCT programmes was underpinned by two key ideas, which are clearly related between them. First, poverty is a problem inherent to poor people and their families (i.e. the individualist approach); second, poverty was placed as a preeminent social problem, instead of inequality or other issues regarding the socioeconomic structure in Chile.

8.3.1 – Individualist approach to poverty

Considering poverty as an individual issue in both its causes and consequences has a long history in social policy. For example, regarding Clinton's welfare reform of 1996, it implemented 'targeted and time-limited benefits with behavioral expectations that include mandatory work requirements and sanctions for noncompliance' (Lein et al., 2016, p.735). Several authors have emphasised the key issue at stake was dependency. Katz (2013) stated that, which led to regarding beneficiaries as undeserving; Somers and Block (2005) argued that reform was driven by market fundamentalism, which raised the "perversity thesis" as the key interpretation of the previous welfare system; given its generosity, it (re)produced poverty. Santiago (2015) showed how the "war against poverty" waged by President Johnson became "the war on the poor" since the 1980s.

Alice O'Connor (2001) accounts that many experts regard the 1996 reform as a defeat of the scientific approach to poverty and, consequently, as bad news for the poor people in the US. For some of those experts, dependency was not the key issue explaining poverty; instead, poverty was a symptom of the economic failure, so it also had a structural explanation. However, what O'Connor showed, and in this analysis she is followed by Katz (2013) and Somers and Block (2005), was that reform was, in fact, a triumph of a particular interpretation of the poverty problem in the US, which made 'dependency the key reform issue and in severing it from the structural problem of labor market decline' (O'Connor, 2001, p.286). That interpretation of the poverty problem as a problem of dependency was extensively based on the work of Charles Murray, and to a lesser extent on the work of Lawrence Mead. It was supported by a several conservative think tanks in the US (O'Connor, 2001) and has been exported to, at least, Britain (Welshman, 2013; Lødemel and Trickey, 2000; Dwyer, 2004; Dwyer and Wright, 2014; Macdonald, Shildrick and Furlong, 2014), the World Bank (McKinnon, 2004; Cammack, 2012), and the CCTs (Fiszbein and Schady, 2009; Lavinias, 2013).

In the case of the Chilean CCTs, even though dependency played an important role, the key driver of these policies was the closely related notion that poverty depends on the individual characteristic of the poor. Both concepts are part of the same broad approach to poverty, or "poverty knowledge" in words of O'Connor (2001, 2016), which has prevailed globally since the rise of neoliberalism, and 'remains the dominant framework in shaping debates about the nature and causes of poverty today' (O'Connor, 2016, p.170).

The contour of that broad approach varies according to the author's perspective and regarding the type of proposal for a new way to analyse poverty. Thus, O'Connor 'defined long-term dependency and individual behavior as the problem' (2001, p.290); Santiago, referring to the US situation, argued: 'all too often we hear familiar rhetoric distinguishing between the deserving versus the undeserving poor, emphasizing individual behavioral deficits and personal failure over global changes in our economy' (2015, p.6). Brady (2009) argues that the conventional approach to studying poverty only focuses on the characteristics of the poor at an individual or a family level. This has led to emphasising how much human capital they have, and their behaviours. Rank, who used the notion of paradigm to analyse the poverty perspective in the US, contended that regarding the old one, 'its core is the belief that both the causes and solutions to poverty are found within the individual' (2016, p.868). He distinguished between a conservative version, which focused on personal characteristics – such as character flaws, laziness, and lack of intelligence – and the liberal version (the US meaning of liberal), which 'tends to focus more on the lack of marketable skills, training and education, as well as other demographic characteristics that put the poor at a disadvantage in competing in the labor market' (Rank, 2016, p.868).

8.3.2 – Poverty instead of Inequality

The second aspect of the broad approach to poverty in Chile has placed poverty as the principal social problem that must be addressed, and not inequality or other issues in the socioeconomic structure of Chile. The relationship between poverty and inequality has not been straightforward, and it remains largely contested depending on the perspective taken. The boundaries between the two concepts have been profusely discussed; some authors have stated, as Spicker attests, that the command of resources is affected by inequality. Therefore, poverty should be 'Understood in terms of "economic distance", which is the rationale for the EU's approach to poverty' (2007b, p.50). Nevertheless, the majority rejects conflating poverty and inequality, mainly because with that the absolute aspect which poverty has could be lost (Sen, 1983, 1995; Ravallion, 2016; Shaffer, 2016), or because a reduction of the rich command of resources – which would reduce inequality – should not be regarded as poverty reduction (Spicker, 2007a). Moreover, regarding the EU approach, the relative nature of poverty should be taken cautiously, avoiding the confusion 'between the notions of poverty and income inequality, as this would undermine the credibility of the poverty standard' (Atkinson et al., 2002, p.79). For these authors, poverty and inequality are related; the issue is finding how that connection is accomplished and avoiding poverty being subsumed into inequality.

However, as has been discussed regarding these two Chilean policies, poverty was identified as the problem, instead of inequality. The individualist approach to poverty does not strictly refute that relationship, but clearly neglects it. And the same can be said about other socioeconomic characteristic which could play an important role in explaining poverty and extreme poverty in Chile. These aspects were not denied, but were hidden or regarded as long-term determinants of human capital of the Chilean families. These aspects could not be addressed by a specific policy such as these two CCTs because they are old, complex and wide-ranging processes. Thus, these policies did not consider the process of migration from rural areas to the cities, the impact of neoliberal reforms in the productive structure, the structural heterogeneity of the Chilean economy, the housing policies that placed low-income families in the periphery of cities, the impact of a segregated educational system where public-sector education has lesser quality, and so on. When Lagos faced the demand for more social inclusion that was expected from a so-called socialist government, and when Piñera was challenged for the persisted inequality and low salaries, both presidents decided to narrow those issues down into poverty, actually extreme poverty. Thus, both Presidents and their policy makers found a suitable approach: seeing poverty as a problem inherent to poor people and their families.

8.3.3 – Towards a New Approach to Poverty

In order to sketch a new concept of poverty that differs from the one that emerged out of the two Chilean CCT programmes, it is necessary to depart from the individualistic approach to poverty and go beyond its limits. It becomes necessary to understand poverty without blaming the poor for their situation and to avoid the repetition of long-standing ideas, such as the deserving/undeserving trope. This does not mean to reject the perspective altogether. As Michael Katz (2015) argued, poverty is a problem of “persons”, but there is more to it, because it is related to and caused by “places” and by the “lack of resources”; it is caused by the “capitalist modernization processes”, an unequal distribution of “power”, and so on. Consequently, what is needed is a more comprehensive approach that includes those aspects but also has a more long-term outlook. In what follows, the boundaries of that new approach will be sketched in abstract terms, discussing what the true meaning of being poor should be and how the causes of poverty should be approached, along with some insights on how poverty must be addressed given a more comprehensive approach to it. Re-taking the “poverty imaginaries” already discussed, how should “poverty as a problem” be seen and how to “intervene” will be discussed.

Regarding the meaning of being in poverty, focusing on material conditions – the absolute component – cannot be neglected. What is required is an enhancement of it, incorporating elements from the relative notions of poverty (Townsend, 1979; Atkinson et al., 2002; Brady, 2003a). These elements, according to several authors, are not incoherent with an absolute meaning (Spicker, 2007a; b; Sen, 1985; Feres and Mancero, 2001). In line with this, the multidimensionality of poverty has to be taken seriously, incorporating it not only into the measures, but also in the design and the evaluation of anti-poverty programmes (Townsend, 1979; Sen, 2000; Rank, 2016; Alkire, 2007; Santos et al., 2015; MIDEPLAN, 2011; CONEVAL, 2014).

Concerning the causes of poverty, the most relevant task is going beyond the focus on the individual characteristics of the poor people, incorporating other aspects that also played a role (Katz, 2015). O'Connor (2016, p.292) argues that a “new poverty knowledge” should ‘examine the institutions, social and economic practices, work conditions, and especially the policy decisions that shape the economy and distribute economic opportunities’. Rank (2016) claimed that poverty results from structural failings, and a new approach to poverty must analyse capitalist modernisation processes. From a different perspective, because it emerges from the analyses of poverty across several countries, Brady (2009) proposes that the study of poverty must go beyond individualist and structural approaches, and should be politicised to capture the influence of the institutionalised power relations – welfare state generosity and leftist collective actors. In a similar vein, Harriss (2009) also advocated bringing politics into the analysis of poverty. According to him, this should not be equated to studying the poor, and ‘the social and political-economic relationship that bring about the effect of poverty’ ought to be examined (Harriss, 2009, p.221). To do that, this author proposes revisiting the literature on the development of capitalism in rural areas in the 1970s and 1980s, because those studies were more concerned with the processes of production and reproduction of poverty.

Going beyond the focus on individual characteristics to explain poverty not only carries the incorporation of new topics into the analysis of poverty, but also changes the logic of the analysis, moving it away from the “want-based” approach, towards the “process-based” one (Shaffer, 2015a). Similarly, Green and Hulme (2005) based on the analysis of chronic poverty, proposed a shift from correlates and characteristics to causes. According to them, poverty should be seen as an effect produced and reproduced by social relations and categorizations. Therefore, ‘exploring the constraints that close off opportunities for upward social and economic mobility, and analysing the politically entrenched social relations (household, communities, national and international) that work to

produce the effects that constitute the experience of chronic poverty' (Green and Hulme, 2005, p.876). The analysis of the different types of inequalities contribute to this analysis of the causes of poverty. As Shaffer (2016, p.15) contends, 'understanding the causes of inequality entails understanding how society is set up and who gets what'.

The elements discussed here implicate new instruments for intervening poverty. More than outlining possible instruments, two caveats for future strategies will be presented. Firstly, as has been discussed in different parts of the present research, interventions that focus on the behaviours of the poor should be avoided because that can quickly turn into "blaming the poor" for their situation. As the debate on underclass suggested, this happened even when these analyses considered the structure, e.g. the work of Lewis and Wilson. This does not mean we should dismiss cultural analysis, but this should focus less on the 'cultural affinity for poverty', and more on 'the cultural mechanisms for according status and privilege, deservingness, social value and denigration, based on class, gender, and race' (O'Connor, 2001, p.293).

Secondly, the effects on the beneficiaries of these programmes should be included in the discussion. This strand is informed by the relational approach of Simmel, where poor people are the subjects who receive social assistance (Simmel, 2009; Coser, 1965); but it goes beyond relational approach. For example, Paugam (2007) analysed the disqualification effects in beneficiaries who participated in social assistance programmes in France. In particular, the shame that poverty programmes could elicit in the poor people should be considered (Walker, 2014). There is no research confirming this in Chile, but studies in Britain have highlighted similar effects among welfare beneficiaries (Chase and Walker, 2013; Shildrick and MacDonald, 2013).

Chapter's Conclusion

This chapter is also a conclusion for the present study. This research has addressed the role played by the concepts of poverty in shaping the two CCTs, and this chapter has discussed the content of those concepts emerging from the Solidarity Chile and the Ethical Family Income programmes (first section of the chapter). Also, the aspects playing a role in the design of these programmes have been described, stressing the role played by the concepts of poverty (second section). Finally, the third section summarised all of those aspects in two broad elements which are closely connected to each other, and I argue that the Chilean policy makers have performed a “double reduction”. First, they understand poverty from an individualistic approach; and second, they focus on poverty instead of inequality or other social problems. In that double reduction, the Chilean policy makers echoed a particular understanding – albeit well established in the literature – on what poverty is, and how it should be addressed.

In the final sub-section of the chapter, I have outlined a new approach to poverty that could overcome the most important failures of the concepts of poverty applied by the Chilean policy makers, this was only briefly sketched, as the task would require another entire research. Thus, in future investigations on poverty, which almost by definition have possible policy consequences, the moralistic aspects of the long-standing distinction between “deserving and undeserving” poor must be abandoned, because they usually result in blaming the poor for their situation and restricted the poverty problem to what happens to poor people only. However, escaping from that distinction in poverty research is not straightforward. An easy way to do this would be dissolving poverty into inequality; however, this would create more conceptual and policy problems than what it supposedly solves. In this respect, the criticisms to the concept of underclass – as it has been understood into the poverty literature – show us the key issues that must be rejected: the arguments that poor people behave differently to the rest of society and that poverty is reproduced in the families.

Dismissing those behavioural aspects in the poverty debate is equally vital now than it was when the CCTs were conceived years ago. The growing use of behavioural economics and the assumption that it is morally right to nudge certain behaviours are part of “cutting edge” policy proposals. In order to challenge that behavioural approach, it is necessary to go deeper into the analysis of the causes of poverty, as has been stated throughout this thesis. However, a reconsideration of what poverty is and how to measure it is also required. Poverty involves a moral judgment; if there is poverty, something

has to be done; and that traceable in the policy process of the Solidarity Chile and Ethical Family Income programmes. In the present study this moral judgment has not been discussed because it is something that is included in the idea of poverty; moreover, the interviewed policy makers acknowledge that the very existence of poverty calls for a public (societal) response. Finally, this leads us to the relevance of the definition and measure debates. If any debate on poverty involves the idea that something has to be done, the next step regarding public response is to determinate who is poor and who is not (definition of poverty) and determine the extent of the problem, i.e. measure poverty; hopefully that definition and measure do not rely on a behavioural approach.

Thesis's Conclusions

In the present study, the reasons why policy makers in Chile placed extreme poverty as a critical social problem to be addressed by means of specific public policies –Solidarity Chile (SCH) and Ethical Family Income (EFI) – are identified and discussed. More importantly, the reasons why they chose to tackle extreme poverty using the specific instruments in these policies so that they become Conditional Cash Transfer programmes with some features added. As was concluded in Chapter Eight, poverty concepts played a significant role in the policy process of these two Chilean programmes.

In the design of these two programmes, the policy makers performed a “double reduction”. The first one understood poverty from an individual notion; that is, poverty depends on the characteristics of the individuals who suffer from that condition. As has been extensively argued throughout this thesis, this reduction has left aside other conceptualisations about poverty and its causes. The second reduction refers to the scope of public policies directed to low-income people in Chile. With the main focus placed on poverty – actually on extreme poverty – the policy makers of both governments set aside other pressing social problems, such as inequality, low salaries, housing segregation, and the low quality of the public provision of education and health. These two reductions show the relevance that the concepts of poverty have in the policy making process of these two Chilean programmes.

Similarities and differences between both Programmes

One important conclusion of this thesis is that the two Chilean CCTs can be analysed together. More importantly, this thesis has been interrogating if SCH and EFI can be seen as one programme with different emphases. However, this could be counterintuitive for three reasons; first, both programmes were designed by different political coalitions; second, they were designed in separate moments; third, they have distinctive ways to take people out from extreme poverty. SCH mainly attempted to connect the extremely poor families with the public programmes, while EFI sought to engage extremely poor people with the labour market.

The main argument for seeing SCH and EFI almost as one programme is in their use of the CCT strategy. Both embraced that model in order to intervene the extremely poor population, even if there are

some differences between the programmes regarding the enforcement of the conditions. The design of SCH was much more lax in the use of conditions, issue that EFI clearly changed with the introduction of an administrative control of the conditions and the actual possibility of removing the benefits. However, as was discussed in the fifth section of Chapter Seven, that laxity was not such because the SCH had among its components a conditioned cash transfer (the Unique Family Allowance, SUF). Regarding the cash transfers, both programmes used them for alleviating poverty, inducing the participation of the families in the programmes and incentivising the fulfilment of the conditions by the extremely poor people. Although the EFI increased the amount of the cash transfers and made them more complex, this difference cannot be dismissed.

Regarding the intervention features, both programmes have the distinctive component of counselling. As it was showed, the Psychosocial Support of SCH was designed locally and EFI retook it and expanded in Socio-Labour Support. It should be underscored that being part of the counselling sessions was not an optional for the extremely poor families; in order to receive the cash transfer, they had to discuss their family dynamics with a State agent, stating how they believed they could get out of poverty and receive advice to have better opportunities in the labour market. In the end, welcoming the counsellor into the home and talking to him/her was a condition, in the same way that sending the children to school or having health check-ups were conditions. More importantly, counselling was justified in both programmes because the extremely poor were passive and had no confidence; therefore, the families have to be guided and nudged.

Concerning the causes of poverty, both programmes shared the same logic; that is, the “want-based” approach. Also, both placed the shortage of “human capital” at the centre of any explanation addressing poverty. SCH and EFI understood poverty as the product of the distinctive characteristics of the extremely poor, which makes them different from the rest. To sum up, both share key aspects used to understand poverty, its causes, the characteristics of the extremely poor and the intervention strategy in this population.

As was argued throughout the present study, the two programmes were specific social assistance policies that did not question the subsidiary welfare regime inherited by the dictatorship and reproduced in the “Concertación” years. Certainly, Lagos’ and Bachelet’s governments made some changes in the State’s welfare provision. However, SCH did not follow that logic, as it was clearly more

coherent with the subsidiary welfare regime. EFI underscores the idea that the State should only have a subsidiary role. Consequently, even if there were 9 or 10 years between the design moments of these two programmes; both as social assistance policies, were expression of the subsidiary approach to the welfare provision.

Despite all of the similarities between SCH and EFI, they cannot be regarded as one programme. EFI replaced SCH sending clear message that it had failed, the policy makers designed EFI trying to overcome what they regarded as failures of SCH. Moreover, the differences in the amount of the cash transfers should be noticed when SCH and EFI are compared. More importantly, these two programmes diverge regarding the way in which the beneficiaries would overcome and remain outside the extreme poverty in the long-term; SCH aimed to connect them with the public programmes, while EFI gave priority to connecting the extremely poor with the labour market.

The similarities between both programmes are abundant and this justifies that they can be analysed together. In this respect, I argue that SCH started an approach to extreme poverty in Chile that was continued and expanded by EFI. This leads us to the fact that these two programmes were designed by different political coalitions, and to the question regarding the differences between these two coalitions that dominated the political debate in Chile for almost a quarter of a century (1990 to 2014). The neoliberal political and economic project was the umbrella under which those coalitions debated and differentiated themselves, and the two Chilean poverty programmes did not do any differently. However, under that broad umbrella, and as has been argued throughout this thesis, the policy makers from both political coalitions shared a specific understanding of what poverty was, what characterised extremely poor people and how to tackle the issue.

Cultural Political Economy for Public Policies

As has been reported in this study, research on the policy process of the EFI has been scarce. Two reasons could explain that: first, this programme is quite recent; second, these programmes (CCTs) have been analysed from different perspectives, so examining a new one would reiterate many of the findings. This evidently applies to SCH, this programme has been analysed from several perspectives. Considering the many studies on SCH in particular, and on CCTs in general, the question could be asked whether analysing these programmes again is worth it or not. In my opinion, what the literature lacks

– with some honourable mentions¹⁴⁴ – is the analysis of the role played by the concepts of poverty and the place these programmes hold in the poverty literature.

In order to address the role of the poverty concepts and analyse the policy process, the present study used Cultural Political Economy (CPE) as the theoretical framework. In comparison to other approaches and investigations, the CPE has a series of advantages even though this approach was originally devised for examining broad accounts of capitalist social formations. In what follows, three advantages regarding the use of CPE for the analysis of specific public policies, not only for poverty-tackling policies, will be discussed.

First, CPE examinations such as the one performed in this research with a focus on Chilean CCTs could embrace several perspectives already used to analyse these programmes. The conjunction of the “three evolutionary mechanisms” and the “four selectivities” allows for the analysis of the policy process itself, including the role of the actors, the discourses in the diagnostics involved and how certain actors support specific diagnostics. However, using CPE required one caveat with respect to the idea of crisis because, as was the case with the two Chilean programmes, the variation mechanism could not necessarily be triggered by crisis in the strong sense proposed by Hay, Jessop and Sum; but begin with some critical diagnostics which were reconfigured, by the policy makers, as a kind of crisis in order to start the policy making process. In short, crises could be created discursively, which has been the case in the present study.

“Agential selectivity” allows CPE to include and conceptualise the role of international agencies – in particular the World Bank – in advocating the CCT model in Chile and its reception by the local policy makers¹⁴⁵. Moreover, with “technological selectivity” it is possible to have a better comprehension of why the model of the CCTs was embraced and, also allows the consideration of the role of the targeting instruments and the income-gap measure. Regarding the literature examining the CCTs from the governmentalities perspective, this research adopts a different stance. However, regarding the two Chilean programmes, I have arrived at similar conclusions, proving how integral CPE can be.

¹⁴⁴ For example, Lavinás (2013) who related the CCTs with the ideas of poverty as lack of “human capital” and the use of “targeting” as established ideas that came from the north, which for poverty debates means the US.

¹⁴⁵ As has been stated, in other Latin American countries the WB, and other international agencies, not only tried to convince and wielded their reputation as in Chile; they also exerted their financial muscle. And that also can be considered by the CPE by means of “structural selectivity”.

Second, CPE acknowledged the role of structural constraints in the analysis of social formations, which came from the Strategic-Relational Approach. These constraints unevenly restrict or allow certain social actors, or social forces, to pursue their particular projects. Also, Sum and Jessop (2013) hypothesised that semiosis is more important in the variation mechanism, while extra semiotic factors have major relevance in the selection and retention mechanism, hypothesis that is included in this research. In comparison to other approaches to the policy process, the CPE did not only consider those structural constraints; it also provided the theoretical insights regarding when and where these constraints operated in the policy making process.

Third and more important for the present research, CPE allows for the analysis of the discourses about poverty and the role that they played in the policy process of the Chilean poverty-tackling programmes. Particularly for the present research, the notions about what poverty is, its trends in Chile, and how the extremely poor were characterised, configured the “variation mechanism” of both programmes. Equally crucial was the interplay of the ideas about poverty and the constraints from the budget office. In short, some studies have highlighted how neoliberal the CCTs are. CPE allows us to critically assess those statements and partially reject them because they are too broad. Instead, here I argue that a key aspect towards an understanding of the policy process is the particular understanding of poverty as a problem inherent to poor people. Indeed, this resembles neoliberal thought, but that through a specific branch of “poverty knowledge”.

Operationalising Cultural Political Economy for Public Policies

One of the important issues to highlight from this research is the effort for performing an analysis of specific public policies using the Cultural Political Economy framework, mainly in the version developed by Jessop and Sum. As aforementioned, the CPE is a framework primarily developed for analysing capitalist social formations in general, and not for specific public policies; hence, it is necessary to have some caveat when the analysis is performed. The previous section shows the advantages of using CPE for the analysis of public policies, here is discussed the key elements and operations required for performing those analyses.

As explicitly mentioned in Chapter Three, section 3.1.5, at least two aspects were needed for the present research. First, it does not search for a “crisis” as the CPE framework understands it; instead, it sees how the idea of “crisis” or “crises” were constructed and used by the policy makers – mainly through their diagnostics – in the construction of the problem. The second aspect, also previously mentioned, it expands the notion of “Economic Imaginaries” as it was defined in the CPE; instead, what is required is a notion which also can fulfil the task of that concept, while comprising specific aspects of the analysis of public policies. In this research, that concept is “Poverty Imaginaries”.

As it was presented, Economic Imaginaries encompasses a particular configuration of genres, discourses and styles in an ambit or social formation; given the necessity of any actor, not only of a researcher, of reducing the complexity of the world, these Economic Imaginaries allow them to understand the world in a certain form and act upon it. Thus, one of the first tasks of the application of the CPE for the analysis of public policies is find a meaningful arrangement of the relevant elements for the analysis of public policies. In the present research the idea of “Poverty Imaginaries” was built from two elements; first and foremost, Carol Bacchi’s (2009) approach for the analysis of public policies; second, the idea that poverty is an unacceptable hardship, therefore, it entails a moral judgment which justifies that something has to be done, at least to alleviate it, if not to overcome it at all. From the interplay of these two elements, for this thesis, I defined that “Poverty Imaginaries” have three aspects: 1) poverty as a problem, 2) interventions to relief poverty, and 3) the notion of not being poor.

As discussed in Chapter Three (Theoretical and Methodological), the aspects of the Poverty Imaginaries were decisive in the construction of the Topic Guide Interviews, therefore, one of the first tasks of a research project which uses CPE for the analysis of public policies, is having a clear notion of the elements which constitute the “Economic Imaginaries” or its equivalent concept. Besides, in this research the organisation of the empirical chapters was also built from the aspects of the Poverty Imaginaries.

Other researchers who would use the CPE could arrive to different elements for the concept which would replace the one for Economic Imaginaries, which would depend on the framework of the public policy analysis, and the nature of the main problem. Nevertheless, any research study will require an

intermediate concept, such as the “Poverty Imaginaries” here, over which the actual theoretical-methodological tools of the CPE can be organised and then used.

The key tools for the analysis of the CPE framework is the interplay between the three “Evolutionary Mechanisms” and the “Four Selectivities”; one of the key statements from the CPE is that in the Variation Mechanism the Discursive and Agential Selectivities have a more relevant role; accordingly, in the Retention Mechanism, the Structural and Technological Selectivities are more important. Considering what has been said, the “Economic Imaginaries” or its equivalent concept, set up the aspects where the Evolutionary Mechanisms and the Four Selectivities come into play. Thus, for some aspects the three Evolutionary Mechanisms have a role while for others, not necessarily; consequently, not all the Selectivities are equally relevant for some of the aspect established by those intermediate concepts. Ultimately, and this research proves that the analysis of the empirical information will help to decide if a specific Selectivity would play a role, or not, in an Evolutionary Mechanism.

In some sense, the interplay between the three Evolutionary Mechanisms and the Four Selectivities is relatively clear in the CPE’s literature. Thus, from my point of view the crucial contribution of this research to the analysis of specific and limited public policies from the CPE perspective, is this: it is required to have a clear notion of the constitutive aspects of the “Economic Imaginaries”, or its equivalent concept such as “Poverty Imaginaries”. The Evolutionary Mechanisms are abstract notions, therefore, for an empirical analysis it is vital to have more precise and limited notions to apply the Evolutionary Mechanisms: Variation, Selection and Retention.

Concepts of Poverty and Poverty as a Field

In this thesis I have argued for the important role of the concepts of poverty in explaining the adoption of the CCT model in Chile and the specific features of SCH and IEF. Chapter Eight showed that the policy makers of both programmes shared a broad approach to poverty which, in general terms, understand poverty from an individualist perspective; that is, conceptualises poverty as a result of the characteristics of the poor people. A consequence emerging out of this understanding and from the political decisions of the Chilean elites, was the fact that extreme poverty was placed as the main

social problem, dismissing the relationship between poverty, high inequality in Chile and other social problems.

These two reductions performed by the policy makers of SCH and EFI are the result of an approach to poverty that these Chilean policy makers shared and applied. This constitutes a sort of knowledge field that has its own literature, concepts and means of evaluation. In broad and schematic terms, this approach has six components. First, it understands poverty as related to material conditions and basic needs. Second, the causes of poverty are in the characteristics of the poor people and poverty is reproduced in the family (underclass concept). Third, poor people form a group that is different from the rest (again, this resembles the underclass concept). Fourth, this approach is built on the two senses of the distinction between deserving and undeserving poor: on the one hand the attempt to determine the individuals who are the most in need (identification via targeting instruments); on the other hand, related to the behaviours of the poor people, as the deserving poor are the ones who behave correctly (co-responsibility). Fifth, the poor people must be assisted in the short term so as to alleviate their pressing needs; however, the way to overcome poverty in the long term is related to a change in their behaviour. Therefore, poor people have to be guided, motivated and pushed to modify their practices. Sixth, given that the poverty problem is bound to this population group and to tackle it is only required an intervention on the population which experienced the condition, i.e. intervening on poor and extremely poor individuals; the only valid evaluation of any policy involves assessing the extent to which poverty has been reduced. Consequently, nothing else would be needed apart from the traditional “headcount ratio”.

Thus, in order to understand the policy process of these two Chilean poverty programmes it was necessary to open the gaze and incorporate semiotic and extra semiotic processes and thus go beyond what has been the analyses regarding CCTs. This research concluded that the policy makers made two reductions, and those came from a particular, albeit hegemonic type of poverty knowledge. Those reductions resulted in the exclusive focus on extremely poor people’s characteristics, and almost blamed them for their hardships. The extremely poor were regarded as uninformed regarding their rights, passive and virtually lacking the tools to survive. The possibility of leaving poverty was considered to occur mainly due to a change in their behaviour. Therefore, in order to overcome the failures of these two Chilean programmes it becomes necessary to break away from this limiting perspective about poverty, and go beyond that individualist approach. This requires the incorporation of a multidimensional definition of poverty that can increase the number of valid indicators for the

design and evaluation of poverty programmes. It also requires an enhancement of the perspective regarding the causes of poverty, and a consideration of the institutions involved and their power relations, along with an analysis of social and cultural practices, work conditions and economic opportunities for low-income people.

Areas for Future Research

One of the major conclusions of this thesis is the necessity to consider the concepts of poverty for any further research on poverty tackling policies; as it was presented here, there is a sort of knowledge field regarding poverty which must be considered. Thus, for the analysis of poverty policies, the task is more or less clear, that is, to consider the recurring debates of this poverty knowledge field for the analysis; however, less straightforward are the tasks for the policy makers of future poverty policies, because as shown here, some of the concepts of poverty carry notions about what poverty is and the characteristics of the poor people which could end blaming the poor for their situation.

Thus, I consider that the most important area of research related with the topics considered in this research, is to make a profound examination of the poverty debates, identifying the most problematic aspects which must be discussed, and advancing some sort of agreements, I consider that two issues are the most pressing ones. First, there is a kind of consensus about moving towards multidimensional definitions and measures of poverty; however, the coincidence ended here. There are pressing questions which are not easy to answer, for instance: which dimensions should be included? Should those dimensions have the same importance? Or should some of them weigh more at the “aggregation”? Do the concept and measure at the individual or household level? Is it correct to assume that all members of the household (or family) have access to the same wellbeing? None of these questions have an easy answer and most certainly any response would have its own complexities, but it is important to advance some reaction because, as it was presented in this research, the way in which poverty is defined and measured plays a significant role in the decision about the strategy to tackle poverty.

The second issue, related to the poverty debates, which requires further research is the causes of poverty. Here it is pertinent to ask: how is poverty understood? Whether it is primarily an individual matter, resulting from the characteristics of the individual or household, or it is mainly a structural

phenomenon, caused by the organization of the society and the distribution of resources. Here we encounter another quite futile consensus; the causes of poverty are neither fully individual nor completely structural, but to what extent it is individual or structural remains obscure and it is not easy to answer, even more because whatever the response, most certainly, it would have relevant consequences in the approach and scope of the public policy required to tackle poverty. Regarding the causes of poverty, in Latin America it is required more research which could evaluate the competing approaches to the causes, interrogating the characteristics of the people in poverty and the intergenerational reproduction of poverty, but also providing a better picture of the places which they inhabit, the distribution of resources in those societies, the availability of labour positions and the most relevant features of the processes of social mobility.

Another area in which more research is required is the wave of CCT programmes in the region. In some sense it moves away of the concepts of poverty, although the present research also has shown that some of the limitations of these interventions directly resulted from the concepts of poverty which they have, in particular, the focus on the behaviour of the poor. In recent years, the CCT wave in Latin America has run out of steam, in Chile the Ethical Family Income still exists and its law has not been repealed; nevertheless, Chilean government is dismantling it by cutting the budget to one component and then to another. In Brazil and Argentina, the new administrations do not support the CCT programmes, a similar situation in other Latin American countries. In my opinion, a series of research is required which, starting from the national level, could make critical evaluations of this regional wave, interrogating the notions of poverty which these programmes have; but also evaluating its results, the role of the development banks in advocating the programmes and critically assess the idea that poverty can be defeated by intervening only on poor people.

Bibliography

- Alkire, S., 2007. Choosing Dimensions: The capability approach and multidimensional poverty. In: N. Kakwani and J. Silber, eds., *The Many Dimensions of Poverty*. London, UK: UNDP - Palgrave Macmillan.
- Alkire, S. and Foster, J., 2009. *Counting and Multidimensional Poverty Measurement*. OPHI Working Paper No. 32. Oxford, UK: OPHI.
- Altimir, O., 1979. *La dimensión de la pobreza en América Latina*. Cuadernos de la CEPAL No. 27. Santiago, Chile: ECLAC.
- Amenta, E. and Ramsey, K., 2010. Institutional Theory. In: L. Kevin and C. Jenkins, eds., *Handbook of Politics: State and Society in Global Perspective*. New York, US: Springer.
- Arellano, J.P., 2011. *Equity and sustainable growth: Twenty years of social policies, Chile 1990–2009*. Washington D.C., US: The World Bank.
- Arellano, S., 2013. El Ingreso Ético Familiar: Sobre el diseño y sus componentes. In: J. Fantuzzi, ed., *Ingreso Ético Familiar: Innovando en la lucha contra la pobreza*. Santiago, Chile: Libertad y Desarrollo.
- Arriagada, C., 2010. Segregación residencial según dos modelos de urbanización y bienestar: estudio comparado de las áreas metropolitanas del Gran Santiago, Toronto y Vancouver. *Notas de Población - CEPAL*, 37(91), pp.201–226.
- Arriagada, I. and Mathivet, C., 2007. *Los programas de alivio a la pobreza Puente y Oportunidades. Una mirada desde los actores*. Políticas Sociales. No. 134. Santiago, Chile: CEPAL.
- Arts, W. and Gelissen, J., 2002. Three worlds of welfare capitalism or more? A state-of-the-art report. *Journal of European Social Policy*, 12(2), pp.137–158.
- Arts, W. and Gelissen, J., 2010. Models of the Welfare State. In: F. Castles, S. Leibfried, J. Lewis, H. Obinger and C. Pierson, eds., *The Oxford Handbook of the Welfare State*. Oxford, UK: Oxford University Press.
- Atkinson, T., Cantillon, B., Marlier, E. and Nolan, B., 2002. *Social Indicators. The UE and Social Inclusion*. New York, US: Oxford University Press.
- Atzeni, M., Duran-Palma, F. and Ghigliani, P., 2011. Employment Relations in Chile and Argentina. In: M. Barry and A. Wilkinson, eds., *Research Handbook of Comparative Employment Relations*. Cheltenham, UK: Edward Elgar.
- Bacchi, C., 2009. *Analysing policy: What's the problem represented to be?* Frenchs Forest, Australia: Pearson.
- Ballard, R., 2013. Geographies of development II: Cash transfers and the reinvention of development for the poor. *Progress in Human Geography*, 37(6), pp.811–821.

- Barba, C., 2004. Los enfoques latinoamericanos sobre la política social. Más allá del Consenso de Washington. *Espiral: Estudios sobre Estado y Sociedad*, 11(31), pp.85–130.
- Barba, C. and Valencia Lomelí, E., 2011. Hipótesis no comprobadas y espejismos de las Transferencias Monetarias Condicionales. In: C. Barba and N. Cohen, eds., *Perspectivas críticas sobre la cohesión social*. Buenos Aires, Argentina: CLACSO-CROP.
- Barbier, J.-C. and Ludwig-Mayerhofer, W., 2004. Introduction. The many worlds of activation. *European Societies*, 6(4), pp.423–436.
- Barrientos, A., 2009. Labour markets and the (hyphenated) welfare regime in Latin America. *Economy and Society*, 38(1), pp.87–108.
- Barrientos, A., 2010. Protecting Capability, Eradicating Extreme Poverty: Chile Solidario and the Future of Social Protection. *Journal of Human Development and Capabilities*, 11(4), pp.579–597.
- Bastagli, F., 2008. Conditionality in Public Policy Targeted to the Poor: Promoting Resilience? *Social Policy and Society*, 8(1), p.127.
- Becker, G.S., 2008. Human Capital. In: *The Concise Encyclopedia of Economics*. [online] Available at: <<http://www.econlib.org/library/Enc/HumanCapital.html>>.
- van den Berg, A. and Janosky, T., 2005. Conflict Theories in Political Sociology. In: T. Janosky, R. Alford, A. Hicks and M. Schwartz, eds., *The Handbook of Political Sociology. States, civil societies, and globalization*. Cambridge, UK: Cambridge University Press.
- Bergoeing, R., Micco, A. and Repetto, A., 2011. Dissecting the Chilean export boom. *Cepal Review*, 105, pp.87–102.
- Berry, J.M., 2003. Validity and Reliability Issues in Elite Interviewing. *Political Science & Politics*, 35(04), pp.679–682.
- Bertrand, M., Mullainathan, S. and Shafir, E., 2004. A Behavioral-Economics View of Poverty. *American Economic Review*, 94(2), pp.419–423.
- Best, J., 2013. Redefining Poverty as Risk and Vulnerability: shifting strategies of liberal economic governance. *Third World Quarterly*, 34(1), pp.109–129.
- Blackmon, P., 2008. Rethinking Poverty through the Eyes of the International Monetary Fund and the World Bank. *International Studies Review*, 10(2), pp.179–202.
- Blaikie, N., 2009. *Designing Social Research*. Second ed. Cambridge, UK: Polity Press.
- Blank, R.M., 2003. Selecting Among Anti-Poverty Policies: Can an Economist be Both Critical and Caring? *Review of Social Economy*, 61(4), pp.447–469.
- Bletsas, A., 2007. Contesting Representations of Poverty: Ethics and Evaluation. *Policy and Society*, 26(3), pp.65–83.
- Blyth, M., 2002. *Great Transformations. Economic ideas and institutional change in the twentieth century*. Cambridge, UK: Cambridge University Press.

- Bonvin, J.-M., 2008. Activation Policies, New Modes of Governance and the Issue of Responsibility. *Social Policy and Society*, 7(03).
- Bothfeld, S. and Betzelt, S., 2013. How do activation policies affect social citizenship? The issue of autonomy. *Social Policy Review* 25, 25, pp.249–270.
- Bradshaw, T.K., 2007. Theories of Poverty and Anti-Poverty Programs in Community Development. *Community Development*, 38(1), pp.7–25.
- Brady, D., 2003a. Rethinking the sociological measurement of poverty. *Social Forces*, 81(3), pp.715–751.
- Brady, D., 2003b. The poverty of liberal economics. *Socio-Economic Review*, 1(3), pp.369–409.
- Brady, D., 2009. *Rich Democracies, Poor People: How Politics Explain Poverty*. New York, US: Oxford University Press.
- Brady, D. and Burroway, R., 2012. Targeting, universalism, and single-mother poverty: a multilevel analysis across 18 affluent democracies. *Demography*, 49(2), pp.719–46.
- Brady, D., Fullerton, A.S. and Moren Cross, J., 2010. More Than Just Nickels and Dimes: A Cross-National Analysis of Working Poverty in Affluent Democracies. *Social Problems*, 57(4), pp.559–585.
- Braun, V. and Clarke, V., 2006. Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), pp.77–101.
- Bravo, V., 2012. Neoliberalismo, protesta popular y transición en Chile, 1973-1989. *Política y Cultura*, 37, pp.85–112.
- Bryman, A., 2012. *Social Research Methods*. Fourth ed. New York, US: Oxford University Press.
- Cabezas, G. and Acero, C., 2012. Effects of the Ethical Family Income on labor participation, income distribution and poverty. In: C. Urzúa, ed., *Fiscal Inclusive Development: Microsimulation models for Latin America*. México DF, México: ITESM - Instituto Tecnológico y de Estudios Superiores de Monterrey.
- Camic, C., 1992. Reputation and Predecessor Selection: Parsons and the Institutionalists. *American Sociological Review*, 57(4), p.421.
- Camic, C. and Gross, N., 2001. The New Sociology of Ideas. In: J. Blau, ed., *The Blackwell Companion to Sociology*. Oxford, UK: Blackwell.
- Cammack, P., 2012. Risk, Social Protection and the World Market. *Journal of Contemporary Asia*, 42(3), pp.359–377.
- Campbell, J.L., 2002. Ideas, Politics, and Public Policy. *Annual Review of Sociology*, 28(1), pp.21–38.
- Campero, G., 2004. *Macroeconomic reforms, labour markets and labour policies: Chile, 1973-2000*. ILO - Employment Strategy Papers. [online] Geneva, Switzerland: ILO. Available at: <http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_elm/documents/publication/wcms_114331.pdf> [Accessed 27 Apr. 2016].

- Castro, R. and Cheyre, C., 2006. Midiendo la movilidad de ingresos y la dinámica de la pobreza en Chile. In: R. Camhi and R. Castro, eds., *La Nueva Realidad de la Pobreza en Chile*. Santiago, Chile: Fundación Libertad y Desarrollo.
- Cecchini, S. and Madariaga, A., 2011. *Conditional Cash Transfers Programmes. The recent experience in Latin America and the Caribbean*. Santiago, Chile: ECLAC-SIDA.
- Cecchini, S. and Martínez, R., 2012. *Inclusive Social Protection in Latin America: A Comprehensive, Rights-based Approach*. Santiago, Chile: ECLAC-SIDA-GTZ.
- Cecchini, S., Robles, C. and Vargas, L.H., 2012. The Expansion of Cash Transfers in Chile and its Challenges: Ethical Family Income. *International Policy Centre for Inclusive Growth*, Research Brief, No. 26.
- CEPAL, 1997. *Nuevas Experiencias en Política Social: Los Fondos de Inversión Social en América Latina y el Caribe en los Programas Sociales*. Santiago, Chile: CEPAL.
- CEPAL, 2017. *CepalStat*. [online] Available at: <http://estadisticas.cepal.org/cepalstat/WEB_CEPALSTAT/Portada.asp?idioma=i> [Accessed 17 Sep. 2917].
- CEPAL-DAG, 2013. *Observatorio de Igualdad de Género de América Latina y el Caribe - Informe anual 2012, los bonos en la mira*. División de Asuntos de Género-CEPAL. Santiago, Chile: CEPAL.
- Chambers, R., 2007. Participation, Pluralism and Perception of Poverty. In: N. Kakwani and J. Silver, eds., *The Many Dimensions of Poverty*. London, UK: UNDP - Palgrave Macmillan.
- Chase, E. and Walker, R., 2013. The Co-construction of Shame in the Context of Poverty: Beyond a Threat to the Social Bond. *Sociology*, 47(4), pp.739–754.
- Clasen, J. and Clegg, D., 2007. Levels and levers of conditionality: measuring change within welfare states. In: J. Clasen and N.A. Siegel, eds., *Investigating Welfare State Change. The 'Dependent Variable Problem' in Comparative Analysis*. Cheltenham, UK: Edward Elgar.
- CNSP, 1996. *La Pobreza en Chile, un desafío de equidad e integración social*. Santiago, Chile: Consejo Nacional para la Superación de la Pobreza - CNSP.
- Coady, D., Grosh, M. and Hoddinott, J., 2004. Targeting Outcomes Redux. *The World Bank Research Observer*, 19(1), pp.61–85.
- Cohen, E. and Franco, R., 2006. Los programas de Transferencias con Corresponsabilidad en América Latina: Similitudes y Diferencias. In: E. Cohen and R. Franco, eds., *Transferencias con Corresponsabilidad. Una mirada Latinoamericana*. México DF. México.: Flacso - SEDESOL.
- Cohen, E. and Franco, R., 2010. Programas de transferencias condicionadas: ¿Pidiendo peras al olmo? *Persona y Sociedad*, XXIV(3), pp.91–121.
- Cohen, E. and Villatoro, P., 2006. Chile: Puente-Chile Solidario. In: E. Cohen and R. Franco, eds., *Transferencias con Corresponsabilidad. Una mirada Latinoamericana*. México DF. México.: Flacso - SEDESOL.
- CONEVAL, 2014. *Metodología para la medición multidimensional de la pobreza en México (Second Edition)*. [online] México DF. México: Consejo Nacional de Evaluación de la Política de Desarrollo

Social - CONEVAL. Available at:
<https://www.coneval.org.mx/Informes/Coordinacion/Publicaciones%20oficiales/MEDICION_MULTIDIMENSIONAL_SEGUNDA_EDICION.pdf> [Accessed 20 Aug. 2017].

Contreras, D., 2003. Poverty and Inequality in a Rapid Growth Economy: Chile 1990-96. *Journal of Development Studies*, 39(3), pp.181–200.

Contreras, D. and Ffrench-Davis, R., 2012. *Policy regimes, inequality, poverty and growth: The Chilean experience, 1973 - 2010*. WIDER Working Paper, No. 2012/04. Helsinki, Finland: World Institute for Development Economics Research (WIDER).

Contreras, D. and Larrañaga, O., 1999. *Los Activos y Recursos de la Población Pobre en América Latina: El Caso de Chile*. Documento de Trabajo, No. R-358. Washington D.C., US: Banco Interamericano de Desarrollo (BID).

Coser, L.A., 1965. The Sociology of Poverty: To the Memory of Georg Simmel. *Social Problems*, 13(2), pp.140–148.

Cox, C., 2003. Las políticas educacionales de Chile en las últimas dos décadas del siglo XX. In: C. Cox, ed., *Políticas Educacionales en el Cambio de Siglo. La reforma del sistema escolar en Chile*. Santiago, Chile: Editorial Universitaria.

Cypher, J.M., 2005. The Political Economy of the Chilean State in the Neoliberal Era: 1973–2005. *Canadian Journal of Development Studies/Revue canadienne d'études du développement*, 26(4), pp.763–779.

Dallorso, N.S., 2013. La teoría del capital humano en la visión del Banco Mundial sobre las Transferencias Monetarias Condicionadas. *Estudios Sociológicos*, XXXI(91), pp.113–139.

Das, J., Do, Q.-T. and Ozler, B., 2005. Reassessing Conditional Cash Transfer Programs. *The World Bank Research Observer*, 20(1), pp.57–80.

Davis, E.P. and Sanchez-Martinez, M., 2015. *Economic Theories of Poverty*. [online] York, UK: Joseph Rowntree Foundation. Available at: <<https://www.jrf.org.uk/report/economic-theories-poverty>> [Accessed 1 Nov. 2017].

Deacon, A., 2002. Echoes of Sir Keith? New Labour and the cycle of disadvantage. *Benefits*, 10(3).

Devereux, S. and Sabates-Wheeler, R., 2004. *Transformative Social Protection*. IDS Working Paper, No. 232. Brighton, UK: Institute of Development Studies.

Durán-Palma, F., Wilkinson, A. and Korczynski, M., 2005. Labour reform in a neo-liberal 'protected' democracy: Chile 1990–2001. *The International Journal of Human Resource Management*, 16(1), pp.65–89.

Durrant, H., 2012. *Governing Skills, Governing Workplaces: State-steered Voluntarism in England under New Labour*. PhD Thesis. University of Bath.

Dwyer, P., 2004. Creeping Conditionality in the UK: From Welfare Rights to Conditional Entitlements? *The Canadian Journal of Sociology*, 29(2), pp.265–287.

Dwyer, P. and Wright, S., 2014. Universal Credit, ubiquitous conditionality and its implications for social citizenship. *Journal of Poverty and Social Justice*, 22(1), pp.27–35.

ECLAC, 2010. *Social Panorama of Latin America*. Social Development Division - Statistics Division. Santiago, Chile: ECLAC / CEPAL.

ECLAC, 2013. *Social Panorama of Latin America*. Social Development Division - Statistics Division. Santiago, Chile: ECLAC / CEPAL.

ECLAC, 2015. *Social Panorama of Latin America*. Social Development Division - Statistics Division. Santiago, Chile: ECLAC / CEPAL.

Edwards, S. and Cox Edwards, A., 2000. *Economic Reforms and Labor Markets: Policy Issues and Lessons from Chile*. [NBER Working Paper No. 7646] NBER. Available at: <<http://www.nber.org/papers/w7646>> [Accessed 27 Apr. 2016].

Elliott, J., 2005. *Using Narrative in Social Research*. London, UK: Sage.

Ellis, D.M., 2014. *Culture, Economy and the Normalization of Debt*. PhD Thesis. University of Liverpool.

Englander, D., 1998. *Poverty and poor Law reform in 19th Century Britain, 1834-1914. From Chadwick to Booth*. Harlow, UK: Longman.

Esping-Andersen, G., 1990. *The Three Worlds of Welfare Capitalism*. Cambridge, UK: Polity Press.

Fell, B. and Hewstone, M., 2015. *Psychological perspectives on poverty*. [online] York, UK: Joseph Rowntree Foundation. Available at: <<https://www.jrf.org.uk/report/psychological-perspectives-poverty>> [Accessed 1 Nov. 2017].

Feres, J.C., 2001. *La pobreza en Chile en el año 2000*. Estudios Estadísticos y Prospectivos. No. 14. Santiago, Chile: CEPAL.

Feres, J.C. and Mancero, X., 2001. *Enfoques para la medición de la pobreza. Breve revisión de la literatura*. Estudios Estadísticos y Prospectivos. No. 4. Santiago, Chile: CEPAL.

Ferguson, J., 2010. The Uses of Neoliberalism. *Antipode*, 41, pp.166–184.

Fernández, M.I., 2013. Estrategias de sobrevivencia de familias beneficiarias del IEF ¿importa el territorio? In: *Congreso Internacional ALAS*. Santiago, Chile.

Ffrench-Davis, R., 2001. *Entre el neoliberalismo y el crecimiento con equidad*. Second ed. Santiago, Chile: Dolmen.

Ffrench-Davis, R., 2015. *La Experiencia de Chile con el Balance Fiscal Estructural*. Working Paper, N. 400. Santiago, Chile: Facultad Economía y Negocios, Universidad de Chile.

Filgueira, C.H. and Filgueira, F., 2002. Models of Welfare and Models of Capitalism: The Limits of Transferability. In: E. Huber, ed., *Models of capitalism: lessons for Latin America*. Pennsylvania, US: The Pennsylvania State University Press.

Filgueira, F., 2005. *Welfare and Democracy in Latin America: The Development, Crises and Aftermath of Universal, Dual and Exclusionary Social States*. UNRISD Document. [online] Geneva, Switzerland: UNRISD. Available at: <[http://www.unrisd.org/80256B3C005BCCF9/\(httpPublications\)/D1F612F7B7D71534C1256FFF005447F7?OpenDocument](http://www.unrisd.org/80256B3C005BCCF9/(httpPublications)/D1F612F7B7D71534C1256FFF005447F7?OpenDocument)> [Accessed 28 Jul. 2016].

Filgueira, F., 2011. Fault Lines in Latin American Social Development and Welfare Regime Challenges. In: M. Blofield, ed., *The Great Gap, Inequality and the Politics of Redistribution in Latin America*. Pennsylvania, US: Pennsylvania State University Press.

Fiszbein, A. and Schady, N., 2009. *Conditional Cash Transfers. Reducing Present and Future Poverty*. Washington D.C., US: The World Bank.

Fontana, A. and Frey, J., 2005. The Interview: From Neutral Stance to Political Involvement. In: N. Denzin and Y. Lincoln, eds., *The Sage Handbook of Qualitative Research*, Third. Thousand Oaks, US: Sage.

Fouarge, D. and Layte, R., 2005. Welfare Regimes and Poverty Dynamics: The Duration and Recurrence of Poverty Spells in Europe. *Journal of Social Policy*, 34(3), pp.407–426.

Franco, R., 1996. Social Policy Paradigms in Latin America. *Cepal Review*, 58, pp.9–23.

Fraser, D., 1984. *The evolution of the British welfare state: a history of social policy since the industrial revolution*. 2. ed. ed. Basingstoke: Macmillan.

Frenz, P., 2007. *Innovative Practices for Intersectoral Action on Health: A case study of four programs for social equity*. [online] Ministry of Health, Chile and WHO. Available at: <http://cdrwww.who.int/social_determinants/resources/isa_4progs_social_equity_chile.pdf> [Accessed 7 Oct. 2017].

Gaisbauer, H., Schweiger, G. and Sedmak, C., 2016. Ethical Issues in Poverty Alleviation: Agents, Institutions and Policies. In: H. Gaisbauer, G. Schweiger and C. Sedmak, eds., *Ethical Issues in Poverty Alleviation*. Cham, Switzerland: Springer International Publishing.

Galasso, E. and Carneiro, P., 2007. *Conclusiones de la evaluación de Chile Solidario*. [online] Draft: The World Bank and University College of London. Available at: <http://www.ministeriodesarrollosocial.gob.cl/btca/txtcompleto/evaluacChileSol-conclusion_b.mundial.pdf> [Accessed 10 Mar. 2015].

Gammage, S., Albuquerque, T. and Durán, G., 2014. *Poverty, Inequality and Employment in Chile*. ILO - Conditions of Work and Employment Series No. 46. [online] Geneva, Switzerland: ILO. Available at: <http://natlex.ilo.ch/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_248029.pdf> [Accessed 18 Dec. 2016].

Gans, H., 1995. *The War Against The Poor: The Underclass and Antipoverty Policy*. New York, US: Basic Books.

Garmany, J., 2016. Neoliberalism, governance, and the geographies of conditional cash transfers. *Political Geography*, 50, pp.61–70.

Garmany, J., 2017. Strategies of conditional cash transfers and the tactics of resistance. *Environment and Planning A*, 49(2), pp.372–388.

Garretón, M.A., 1999. Balance y perspectivas de la democratización política chilena. In: A. Menéndez-Carrión and A. Joignant, eds., *La Caja de Pandora, el retorno de la transición chilena*. Santiago, Chile: Planeta - Ariel.

Garretón, M.A., 2012. *Neoliberalismo corregido y progresismo limitado: Los gobiernos de la Concertación en Chile, 1990-2010*. Santiago, Chile: ARCIS-CLACSO-PROSPAL.

- Garvin, T., 2001. Analytical Paradigms: The Epistemological Distances between Scientists, Policy Makers, and the Public. *Risk Analysis*, 21(3), pp.443–456.
- Gilbert, C.L. and Vines, D., 2000. The World Bank: an overview of some major issues. In: C.L. Gilbert and D. Vines, eds., *The World Bank. Structure and Policies*. New York, US: Cambridge University Press.
- González de la Rocha, M., 2007. The Construction of the Myth of Survival. *Development and Change*, 38(1), pp.45–66.
- Gough, I., 2013. Social policy regimes in the developing world. In: P. Kennett, ed., *A Handbook of comparative social policy*. Cheltenham UK: Edward Elgar.
- Green, M. and Hulme, D., 2005. From correlates and characteristics to causes: thinking about poverty from a chronic poverty perspective. *World Development*, 33(6), pp.867–879.
- Greenbaum, S.D., 2015. *Blaming the Poor: The long shadow of the Moynihan report on cruel images about poverty*. New Brunswick, US: Rutgers University Press.
- Grondona, A.L., 2011. 'Workfare' y 'underclass', las singularidades de la traducción argentina. *Estudios del trabajo*, 41/42.
- Grupo de Rio, 2007. *Compendio de mejores prácticas en la medición de la pobreza*. [online] Santiago, Chile: Grupo de Rio: Grupo de expertos en Estadísticas de Pobreza. Available at: <https://www.cepal.org/deype/publicaciones/sinsigla/xml/9/34409/rio_group_compendium_es.pdf> [Accessed 25 Oct. 2017].
- Guardia, A., 2009. Relación entre economía y política: la experiencia chilena. In: Y. Quiroga and J. Ensignia, eds., *Chile en la Concertación (1990 - 2010). Una mirada crítica, balance y perspectivas. Vol. II*. Santiago, Chile: Friedrich-Ebert-Stiftung.
- Guetzkow, J., 2010. Beyond Deservingness: Congressional Discourse on Poverty, 1964--1996. *The ANNALS of the American Academy of Political and Social Science*, 629(1), pp.173–197.
- Gugushvili, D. and Hirsch, D., 2014. *Means-tested and universal approaches to poverty: international evidence and how the UK compares*. CRSP Working paper 640. Leicester, UK: CRSP - Centre for Research in Social Policy, Loughborough University.
- Hall, A., 2007. Social Policies in the World Bank: Paradigms and Challenges. *Global Social Policy*, 7(2), pp.151–175.
- Hall, P.A., 1989. Conclusion: The politics of Keynesian ideas. In: P.A. Hall, ed., *The political power of economic ideas; Keynesianism across nations*. New Jersey, US: Princeton University Press.
- Hall, P.A. and Taylor, R.C.R., 1996. Political Science and the Three New Institutionalisms. *Political Studies*, 44(5), pp.936–957.
- Handa, S. and Davis, B., 2006. The Experience of Conditional Cash Transfers in Latin America and the Caribbean. *Development Policy Review*, 24(5), pp.513–536.
- Hardy, C., 1997. *La Reforma Social Pendiente*. Santiago, Chile: Las Ediciones de Chile 21.

- Hardy, C., 2011. Sistema de protección social en Chile: Red Protege 2006 – 2010. Un enfoque de derechos. [online] Seminario internacional de seguridad social: Protección social, inclusión y equidad. Buenos Aires, Argentina: Anses. Available at: <<http://www.sia.eurosocial-ii.eu/files/docs/1402687026-SISTEMA%20DE%20PROTECCION%20SOCIAL%20EN%20CHILE.pdf>> [Accessed 22 Sep. 2017].
- Harriss, J., 2009. Bringing Politics Back into Poverty Analysis. In: T. Addison, D. Hulme and R. Kanbur, eds., *Poverty Dynamics, Interdisciplinary Perspectives*. Oxford, UK: Oxford University Press.
- Harvey, D., 2005. *A Brief History of Neoliberalism*. New York, US: Oxford University Press.
- Harvey, D.L. and Reed, M.H., 1996. The Culture of Poverty: An Ideological Analysis. *Sociological Perspectives*, 39(4), pp.465–495.
- Harvey, W.S., 2011. Strategies for conducting elite interviews. *Qualitative Research*, 11(4), pp.431–441.
- Hausman, D.M. and Welch, B., 2010. Debate: To Nudge or Not to Nudge*. *Journal of Political Philosophy*, 18(1), pp.123–136.
- Hay, C., 1996. Narrating Crisis: The Discursive Construction of the 'Winter of Discontent'. *Sociology*, 30(2), pp.253–277.
- Hay, C., 2001. The 'crisis' of keynesianism and the rise of neoliberalism in Britain. In: J.L. Campbell and O.K. Pedersen, eds., *The rise of neoliberalism and institutional analysis*. New Jersey, US: Princeton University Press.
- Hay, C., 2002. *Political Analysis, A Critical Introduction*. Basingstoke, UK: Palgrave.
- Hay, C., 2010. Ideas and the Construction of Interests. In: D. Béland and R.H. Cox, eds., *Ideas and Politics in Social Science Research*. Oxford, UK: Oxford University Press.
- Hay, C. and Gofas, A., 2010. Varieties of ideational explanation. In: C. Hay and A. Gofas, eds., *The role of ideas in political analysis. A portrait of contemporary debates*. Oxford, UK: Routledge.
- Hay, C. and Wincott, D., 1998. Structure, Agency and Historical Institutionalism. *Political Studies*, 46(5), pp.951–957.
- Heine, J., 2001. Modernización y malestar: la segunda fase de la transición chilena. *Perspectivas*, 4(2), pp.353–361.
- Henochoa, P. and Troncoso, R., 2013. Transferencias Condicionadas en Chile: Una Evaluación al Programa Ingreso Ético Familiar. In: J. Fantuzzi, ed., *Ingreso Ético Familiar: Innovando en la lucha contra la pobreza*. Santiago, Chile: Libertad y Desarrollo.
- Herrera, R., Larrañaga, O. and Telias, A., 2015. La Ficha de Protección Social. In: O. Larrañaga and D. Contreras, eds., *Las Nuevas Políticas de Protección Social en Chile*, Second. Santiago, Chile: Uqbar Editores - PNUD Chile.
- Hickey, S., 2010. The Government of Chronic Poverty: From Exclusion to Citizenship? *Journal of Development Studies*, 46(7), pp.1139–1155.

Hirschman, A.O., 1991. *The Rhetoric of Reaction: Perversity, Futility, Jeopardy*. Cambridge, US: Harvard University Press.

Holzmann, R. and Jørgensen, S., 2000. *Social Risk Management: A New Conceptual Framework for Social Protection and Beyond*. Social Protection Discussion Paper No. 6. Washington D.C., US: Social Protection Unit. The World Bank.

Huber, E. and Niedzwiecki, S., 2015. Emerging Welfare States in Latin America and East Asia. In: S. Leibfried, E. Huber, M. Lange, J. Levy, F. Nullmeier and J.D. Stephens, eds., *The Oxford Handbook of Transformations of the State*. New York, US: Oxford University Press.

Huber, E. and Stephens, J.D., 2012. *Democracy and the Left. Social Policy and Inequality in Latin America*. Chicago, US: The University of Chicago Press.

Huneus, C. and Repetto, A., 2013. Los desafíos pendientes del Ingreso Ético Familiar. In: J. Fantuzzi, ed., *Ingreso Ético Familiar: Innovando en la lucha contra la pobreza*. Santiago, Chile: Libertad y Desarrollo.

Infante, R., 2009. Heterogeneidad productiva y del mercado laboral. In: O. Sunkel and R. Infante, eds., *Hacia un Desarrollo Inclusivo. El caso de Chile*. Santiago, Chile: CEPAL - Fundación Chile 21 - OIT.

Infante, R. and Sunkel, O., 2009. Hacia un Crecimiento Inclusivo. In: O. Sunkel and R. Infante, eds., *Hacia un Desarrollo Inclusivo. El caso de Chile*. Santiago, Chile: CEPAL - Fundación Chile 21 - OIT.

de Janvry, A. and Sadoulet, E., 2004. Conditional Cash Transfer Programs: Are They Really Magic Bullets? *ARE Update*, 7(6).

de Janvry, A. and Sadoulet, E., 2006. Making Conditional Cash Transfer Programs More Efficient: Designing for Maximum Effect of the Conditionality. *The World Bank Economic Review*, 20(1), pp.1–29.

Jensen, T. and Tyler, I., 2015. ‘Benefits broods’: The cultural and political crafting of anti-welfare commonsense. *Critical Social Policy*, 35(4), pp.470–491.

Jessop, B., 2008. *State Power*. Cambridge, UK: Polity Press.

Jessop, B., 2010. Cultural Political Economy and Critical Policy Studies. *Critical Policy Studies*, 3(3–4), pp.336–356.

Jessop, B., 2012a. Economic and Ecological Crises: Green new deals and no-growth economies. *Development*, 55(1), pp.17–24.

Jessop, B., 2012b. What follows Neo-Liberalism? The deepening contradictions of US domination and the struggle for a new global order. In: R. Albritton, B. Jessop and R. Westra, eds., *Political Economy and Global Capitalism*. London, UK: Anthem Press.

Jessop, B., 2013a. Putting neoliberalism in its time and place: a response to the debate. *Social Anthropology*, 21(1), pp.65–74.

Jessop, B., 2013b. *Recovered imaginaries, imagined recoveries: a cultural political economy of crisis construals and crisis-management in the North Atlantic Financial Crisis*. Pre-copy-edited version. [online] Lancaster University. Available at:

<<http://www.lancaster.ac.uk/cperc/docs/Jessop2013%20RecoveredImaginaries%20Pre-Copy-Edited.pdf>> [Accessed 30 Jan. 2017].

Jessop, B. and Oosterlynck, S., 2008. Cultural political economy: On making the cultural turn without falling into soft economic sociology. *Geoforum*, 39(3), pp.1155–1169.

Jessop, B. and Sum, N.-L., 2013. Competitiveness, the Knowledge-Based Economy and Higher Education. *Journal of the Knowledge Economy*, 4(1), pp.24–44.

Jones, M., 2008. Recovering a sense of political economy. *Political Geography*, 27(4), pp.377–399.

Jones, R., Pykett, J. and Whitehead, M., 2013. Psychological governance and behaviour change. *Policy & Politics*, 41(2), pp.159–182.

Jung, S.Y. and Smith, R.J., 2007. The Economics of Poverty. *Journal of Human Behavior in the Social Environment*, 16(1–2), pp.21–39.

Kahneman, D., 2012. *Thinking, Fast and Slow*. UK: Penguin Books.

Kanbur, R. and Vines, D., 2000. The World Bank and poverty reduction: past, present and future. In: C.L. Gilbert and D. Vines, eds., *The World Bank. Structure and Policies*. New York, US: Cambridge University Press.

Kast, F., 2013. Las claves del Ingreso Ético Familiar. In: J. Fantuzzi, ed., *Ingreso Ético Familiar: Innovando en la lucha contra la pobreza*. Santiago, Chile: Libertad y Desarrollo.

Katz, M.B., 2013. *The Undeserving Poor. America's enduring confrontation with poverty*. Second ed. New York, US: Oxford University Press.

Katz, M.B., 2015. What Kind of a Problem is Poverty? The Archaeology of an Idea. In: A. Roy and E.S. Crane, eds., *Territories of Poverty, Rethinking North and South*. Athens, US: The University of Georgia Press.

Korpi, W., 1998. The Iceberg of Power below the Surface: A Preface to Power Resources Theory. In: J. O'Connor and G. Olsen, eds., *Power Resource Theory and the Welfare State: A Critical Approach*. Toronto, Canada: University of Toronto Press.

Krumer-Nevo, M. and Benjamin, O., 2010. Critical Poverty Knowledge. *Current Sociology*, 58(5), pp.693–714.

Laderchi, C.R., Saith, R. and Stewart, F., 2010. Does it Matter that we do not Agree on the Definition of Poverty? A Comparison of Four Approaches. *Oxford Development Studies*, 31(3), pp.243–274.

Lang, K. and Lang, G.E., 2001. Reputation. In: N. Smelser and P. Baltes, eds., *International Encyclopedia of the Social & Behavioral Sciences*. Oxford, UK: Elsevier Science.

Larrañaga, O., 2005. *Focalización de Programas en Chile: El Sistema CAS*. Documentos de Discusión sobre la Protección Social, No. 0528. [online] Washington D.C., US: The World Bank. Available at: <<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/0528Spanish.pdf>> [Accessed 26 Aug. 2016].

Larrañaga, O., 2009. *Inequality, Poverty and Social Policy: Recent Trends in Chile*. OECD Social, Employment and Migration Working Papers, No. 85. Paris, France: OECD.

Larrañaga, O., 2011. El estado de Bienestar en Chile: 1910-2010. In: R. Lagos, ed., *Cien Años de Luces y Sombras*. Santiago, Chile: Taurus.

Larrañaga, O., Cabezas, G. and Encina, J., 2011. Beneficios Sociales e Ingresos Fiscales en Chile. In: L.F. López-Calva and U. Carlos, eds., *Sistemas de impuestos y prestaciones en América Latina*. Puebla, Mexico: Benemérita Universidad Autónoma de Puebla.

Larrañaga, O. and Contreras, D., 2010. *Chile Solidario y Combate a la Pobreza*. Documento de Trabajo. No. 2010–1. [online] Santiago, Chile: PNUD. Available at: <http://www.undp.org/content/dam/chile/docs/pobreza/undp_cl_pobreza_Chile_solidario_2010.pdf> [Accessed 9 Oct. 2017].

Larrañaga, O., Contreras, D. and Cabezas, G., 2015a. Políticas contra la Pobreza: de Chile Solidario al Ingreso Ético Familiar. In: O. Larrañaga and D. Contreras, eds., *Las Nuevas Políticas de Protección Social en Chile*, 2nd ed. Santiago, Chile: Uqbar Editores - PNUD Chile.

Larrañaga, O., Contreras, D. and Cabezas, G., 2015b. Políticas contra la Pobreza: de Chile Solidario al Ingreso Ético Familiar. In: O. Larrañaga and D. Contreras, eds., *Las Nuevas Políticas de Protección Social en Chile*, Second. Santiago, Chile: Uqbar Editores - PNUD Chile.

Larrañaga, O., Contreras, D. and Ruiz-Tagle, J., 2009. *Evaluación de impacto de Chile Solidario para la primera cohorte de participantes*. [online] Santiago, Chile: PNUD. Available at: <http://www.pnud.cl/areas/ReduccionPobreza/links_archivos/Evaluaci%C3%B3n%20Chile%20Solidario.pdf> [Accessed 26 Mar. 2016].

Lavinas, L., 2013. 21st Century Welfare. *New Left Review*, 84.

Lavinas, L. and Fonseca, A., 2015. Piso de Protección Social: Pros y Contras. *Cadernos Prolam/USP*, 14, pp.133–154.

Lavinas, L. and Fritz, B., 2015. Redistribution and Persistent Challenges: An Introduction. In: B. Fritz and L. Lavinas, eds., *A Moment of Equality for Latin America? Challenges for Redistribution*. Surrey, UK: Ashgate.

Lavinas, L. and Simões, A., 2015. Social Policy and Structural Heterogeneity in Latin America: The Turning Point of the 21st Century. In: B. Fritz and L. Lavinas, eds., *A Moment of Equality for Latin America? Challenges for Redistribution*. Surrey, UK: Ashgate.

Leggett, W., 2014. The politics of behaviour change: nudge, neoliberalism and the state. *Policy & Politics*, 42(1), pp.3–19.

Lein, L., Danziger, S., Shaefer, L. and Tillotson, A., 2016. Social Policy, Transfers, Programs, and Assistance. In: D. Brady and L.M. Burton, eds., *The Oxford Handbook of the Social Science of Poverty*. New York, US: Oxford University Press.

Leiva, S., 2009. La subcontratación en la minería en Chile: Elementos teóricos para el análisis. *Polis*, 8(24), pp.111–131.

Lepièce, B., Reynaert, C., Jacques, D. and Zdanowicz, N., 2015. Poverty and Mental Health: What should we know as mental health professionals? *Psychiatria Danubina*, 27(Supplement 1), pp.92–96.

Levitas, R., 2013. *Utopia as Method*. Basingstoke, UK: Palgrave Macmillan.

Lister, R., 2003. Investing in the Citizen-workers of the Future: Transformations in Citizenship and the State under New Labour. *Social Policy & Administration*, 37(5), pp.427–443.

Lister, R., 2004. *Poverty*. Cambridge, UK: Polity Press.

Lødemel, I. and Trickey, H., 2000. A new contract for social assistance. In: I. Lødemel and H. Trickey, eds., *'An offer you can't refuse' Workfare in international perspective*. Bristol, UK: The Policy Press.

López, R. and Miller, S.J., 2008. Chile: The Unbearable Burden of Inequality. *World Development*, 36(12), pp.2679–2695.

LyD, 2013. Entrevista a Jorge Fantuzzi y Paulina Henoch: “Ingreso Ético Familiar: Innovando en la lucha contra la pobreza”. *Revista Libertad y Desarrollo (LyD)*, 204.

Macdonald, R., Shildrick, T. and Furlong, A., 2014. In search of ‘intergenerational cultures of worklessness’: Hunting the Yeti and shooting zombies. *Critical Social Policy*, 34(2), pp.199–220.

MacGregor, S., 2014. *Welfare: Theoretical and Analytical Paradigms*. UNRISD - Working Paper 2014–13. [online] Geneva, Switzerland: UNRISD. Available at: <<http://www.unrisd.org/80256B3C005BCCF9/search/E5C803DD9F498AC8C1257D4E00547DAA?OpenDocument>> [Accessed 9 Oct. 2016].

Macnicol, J., 1987. In Pursuit of the Underclass. *Journal of Social Policy*, 16(03), p.293.

Mair, P., 2008. Concepts and concept formation. In: D. Della Porta and M. Keating, eds., *Approaches and Methodologies in the Social Sciences: A Pluralist Perspective*. Cambridge, UK: Cambridge University Press.

Maldonado, L., 2012. *Helping the Poor in Latin America: Three Studies on Public Transfers, Social Services, and Poverty in Different Institutional Contexts*. PhD Thesis. Universität zu Köln.

Martin, M.P., 2012. El cambio en el Sistema de Protección Social en Chile: un análisis de policy frames. [online] Tercer encuentro anual de la Sociedad Chilena de Políticas Públicas. Santiago, Chile. Available at: <http://www.sociedadpoliticaspUBLICAS.cl/archivos/BLOQUET/Proteccion_y_Politica_Social/El_cambio_en_SistemaProteccionSocial.pdf> [Accessed 8 Jul. 2015].

Martínez Franzoni, J., 2008. Welfare Regimes in Latin America: Capturing Constellations of Markets, Families, and Policies. *Latin American Politics and Society*, 50(2), pp.67–100.

Martínez Franzoni, J. and Voorend, K., 2011. Actors and ideas behind CCTs in Chile, Costa Rica and El Salvador. *Global Social Policy*, 11(2–3), pp.279–298.

Matte, P. and Camhi, R., 2006. Pobreza al Bicentenario: diagnóstico y políticas. In: R. Camhi and R. Castro, eds., *La Nueva Realidad de la Pobreza en Chile*. Santiago, Chile: Fundación Libertad y Desarrollo.

Maxwell, J. and Chmiel, M., 2014. Notes Toward a Theory of Qualitative Data Analysis. In: U. Flick, ed., *The SAGE Handbook of Qualitative Data Analysis*. London, UK: Sage.

McKinnon, R., 2004. Social risk management and the World Bank: resetting the ‘standards’ for social security? *Journal of Risk Research*, 7(3), pp.297–314.

MDS, 2011. *Indicadores de Pobreza - CASEN 2011*. [online] Santiago, Chile: Ministerio de Desarrollo Social - MDS. Available at: <http://observatorio.ministeriodesarrollosocial.gob.cl/layout/doc/casen/pobreza_casen_2011.pdf> [Accessed 20 Jul. 2017].

MDS, 2013. *Informe de Política Social 2013*. [online] Santiago, Chile: Ministerio de Desarrollo Social - MDS. Available at: <http://www.ministeriodesarrollosocial.gob.cl/ipos-2013/media/IPOS_2013.pdf> [Accessed 20 Jul. 2017].

MDS, 2014. *Informe de Desarrollo Social 2014*. [online] Santiago, Chile: Ministerio de Desarrollo Social - MDS. Available at: <http://www.ministeriodesarrollosocial.gob.cl/pdf/upload/IDS_2014_2.pdf> [Accessed 20 Jul. 2017].

MDS, 2015. *CASEN 2013 - Una Medición de la Pobreza Moderna y Transparente para Chile*. [online] Santiago, Chile: Ministerio de Desarrollo Social - MDS. Available at: <http://observatorio.ministeriodesarrollosocial.gob.cl/documentos/Presentacion_Resultados_Encuesta_Casen_2013.pdf> [Accessed 20 Jul. 2017].

Meller, P., 1996. *Un siglo de economía política chilena (1890 - 1990)*. Santiago, Chile: Andrés Bello.

Meller, P., 1999. Pobreza y distribución del ingreso en Chile (Década de los noventa). In: P. Drake and I. Jarsic, eds., *El Modelo Chileno, Democracia y desarrollo en los noventa*. Santiago, Chile: LOM Ediciones.

MIDEPLAN, 2000. *Impacto Distributivo del Gasto Social 1998*. Social Division. [online] Santiago, Chile: MIDEPLAN. Available at: <http://www.ministeriodesarrollosocial.gob.cl/admin/docdescargas/centrodoc/centrodoc_48.pdf> [Accessed 20 Jul. 2017].

MIDEPLAN, 2001. *Impacto Distributivo del Gasto Social 2000 - Informe Ejecutivo*. Social Division. [online] Santiago, Chile: MIDEPLAN. Available at: <http://www.ministeriodesarrollosocial.gob.cl/admin/docdescargas/centrodoc/centrodoc_17.pdf> [Accessed 20 Jul. 2017].

MIDEPLAN, 2002a. *Dinámica de la Pobreza. Resultados de la Encuesta Panel 1996-2001*. Social Division. Santiago, Chile: MIDEPLAN.

MIDEPLAN, 2002b. *Estrategia de Intervención Integral a Favor de Familias en Extrema Pobreza*. Social Division. [online] Santiago, Chile: MIDEPLAN. Available at: <<http://www.ministeriodesarrollosocial.gob.cl/btca/txtcompleto/mideplan/estrategia%20intervenc.familiaspobreza.pdf>> [Accessed 20 Jul. 2017].

MIDEPLAN, 2004a. *Ficha Familia, más y mejor focalización en una nueva etapa del desarrollo social del país*. Social Division. Santiago, Chile: MIDEPLAN.

MIDEPLAN, 2004b. *Pobreza, Distribución del Ingreso e Impacto Distributivo del Gasto Social 2003*. Social Division. [online] Santiago, Chile: MIDEPLAN. Available at: <http://www.ministeriodesarrollosocial.gob.cl/admin/docdescargas/centrodoc/centrodoc_120.pdf> [Accessed 20 Jul. 2017].

MIDEPLAN, 2004c. *Sistema de Protección Social Chile Solidario*. Santiago, Chile: MIDEPLAN.

MIDEPLAN, 2009. *Fundamentals of the operations of an Intersectional system of social protection*. Santiago, Chile: MIDEPLAN.

MIDEPLAN, 2010. *Informe Final - Comité de Expertos Ficha de Protección Social*. [online] Santiago, Chile: MIDEPLAN. Available at: <<http://www.ministeriodesarrollosocial.gob.cl/btca/txtcompleto/mideplan/c.e-fps-infinal.pdf>> [Accessed 20 Jul. 2017].

MIDEPLAN, 2011. *Informe Final - Comisión Medición Pobreza*. [online] MIDEPLAN. Available at: <<http://www.ministeriodesarrollosocial.gob.cl/btca/txtcompleto/midesocial/infcom.medic-pobreza2011.pdf>> [Accessed 20 Jul. 2017].

MINVU, 2010. *Programa Chile Barrio, de medida de emergencia a politica publica*. Santiago, Chile: Ministerio de Vivienda y Urbanismo - MINVU.

Misturelli, F. and Heffernan, C., 2010. The concept of poverty: a synchronic perspective. *Progress in Development Studies*, 10(1), pp.35–58.

Mkandawire, T., 2005. *Targeting and Universalism in Poverty Reduction*. UNRISD - Social Policy and Development. Programme Paper No. 23. Geneva, Switzerland: UNRISD.

Molyneux, M., 2007. Two Cheers for CCTs. *IDS Bulletin (Institute of Development Studies)*, 38(3).

Morales, E., 1984. *Políticas de empleo y contexto político: El PEN y el POJH*. FLACSO - Working paper, N. 225. Santiago, Chile: FLACSO.

Moreira, A. and Lødemel, I., 2014. Governing Activation in the 21st Century. In: I. Lødemel and A. Moreira, eds., *Activation or workfare? Governance and the neo-liberal convergence*. New York, US: Oxford University Press.

Moulian, T., 1997. *Chile Actual, Anatomía de un Mito*. Santiago, Chile: LOM-Arcis.

Mullainathan, S. and Thaler, R.H., 2000. *Behavioral Economics*. NBER - Working Paper No. 7948. [online] Cambridge, US: NBER - National Bureau of Economic Research. Available at: <www.nber.org/papers/w7948> [Accessed 3 Dec. 2017].

Muñoz Gomá, O., 2009. *Aguas arriba: la transformación socioeconómica del ecosistema Llanquihue-Chiloé, Chile, durante los años 90*. Buenos Aires, Argentina: Consejo Latinoamericano de Ciencias Sociales - CLACSO.

Neilson, C., Contreras, D., Cooper, R. and Hermann, J., 2008. The Dynamics of Poverty in Chile. *Journal of Latin American Studies*, 40(02).

O'Connor, A., 2001. *Poverty Knowledge: Social Science, Social Policy, and the Poor in Twentieth-Century U.S. History*. New Jersey, US: Princeton University Press.

O'Connor, A., 2016. Poverty Knowledge and the History of Poverty Research. In: D. Brady and L.M. Burton, eds., *The Oxford Handbook of the Social Science of Poverty*. New York, US: Oxford University Press.

OECD, 2015. *OECD Health Statistics 2015 - Country Note: How does health spending in Chile compare?* [online] Paris, France: OECD. Available at: <<https://www.oecd.org/els/health-systems/Country-Note-CHILE-OECD-Health-Statistics-2015.pdf>> [Accessed 22 Sep. 2017].

- van Oorschot, W., 2000. Who should get what, and why? On deservingness criteria and the conditionality of solidarity among the public. *Policy & Politics*, 28(1), pp.33–48.
- van Oorschot, W., 2002. Targeting welfare: on the functions and dysfunctions of means testing in social policy. In: P. Townsend and D. Gordon, eds., *World Poverty. New policies to defeat an old enemy*. Bristol, UK: The Policy Press.
- Oosterlynck, S. and González, S., 2013. 'Don't Waste a Crisis': Opening up the City Yet Again for Neoliberal Experimentation: Debates and Developments. *International Journal of Urban and Regional Research*, 37(3), pp.1075–1082.
- Ormston, R., Spencer, L., Barbard, M. and Snape, D., 2014. The Foundations of Qualitative Research. In: J. Ritchie, J. Lewis, C.N. McNaughton and R. Ormston, eds., *Qualitative Research Practice, A Guide for Social Science Students and Researchers*, Second. London, UK: Sage.
- Osorio, C., 2014a. *La difusión de Programas de Transferencia Condicionada en America Latina 1990 - 2010*. Thesis.
- Osorio, C., 2014b. *La difusión de Programas de Transferencia Condicionada en América Latina 1990 - 2010*. PhD Thesis. Pompeu Fabra.
- Palma, J., 2005. Participación y políticas públicas en Chile: análisis del proceso de elaboración e implementación del sistema Chile Solidario. In: *X Congreso Internacional del CLAD sobre la Reforma del Estado y de la Administración Pública*. [online] Santiago, Chile. Available at: <<http://cdim.esap.edu.co/BancoMedios/Documentos%20PDF/participaci%C3%B3n%20y%20pol%C3%ADticas%20p%C3%ABlicas%20en%20chile.pdf>> [Accessed 27 Jul. 2017].
- Palma, J. and Urzúa, R., 2005. Anti-Poverty Policies and Citizenry. *Most-2 Policy Papers*, 12.
- Papadopoulos, T. and Velázquez Leyer, R., 2016. Two Decades of Social Investment in Latin America: Outcomes, Shortcomings and Achievements of Conditional Cash Transfers. *Social Policy and Society*, 15(03), pp.435–449.
- Pardo, M., 2003. *Reseña de programas sociales para la superación de la pobreza en América Latina*. Estudios Estadísticos y Prospectivos, No. 20. Santiago, Chile: CEPAL.
- Paugam, S., 2007. *Las formas elementales de la pobreza*. Madrid, España: Alianza.
- Paul, R., 2012. Limits of the competition state? The cultural political economy of European labor migration policies. *Critical Policy Studies*, 6(4), pp.379–401.
- Peck, J., 2010. *Construction of Neoliberal Reason*. New York, US: Oxford University Press.
- Peck, J. and Theodore, N., 2015. Paying for Good Behavior: Cash Transfer Policies in the Wild. In: A. Roy and E.S. Crane, eds., *Territories of Poverty, Rethinking North and South*. Athens, US: The University of Georgia Press.
- Piñera, S., 2009. *Pograma de gobierno para el cambio, el futuro y la esperanza. Chile 2010-2014*. [online] Santiago, Chile. Available at: <http://www.sebastianpinera.cl/sites/default/files/programa_de_gobierno_2010.pdf> [Accessed 14 Dec. 2016].

PNUD, 2017. *Desiguales. Orígenes, cambios y desafíos de la brecha social en Chile*. Santiago, Chile: PNUD / UNDP - Uqbar Editores.

Powell, M., 2000. New Labour and the third way in the British welfare state: a new and distinctive approach? *Critical Social Policy*, 20(1), pp.39–60.

Pressacco, C.F. and Salvat, P., 2012. Consideraciones críticas sobre política pública y social de los gobiernos Concertación: Chile, 1990-2010. ¿Del crecimiento con equidad al crecimiento basado en la competencia y el subsidiarismo generalizado? *Papel Politico*, 17, pp.85–118.

Pribble, J., 2013. *Welfare and party politics in Latin America*. New York, US: Cambridge University Press.

Puentes, G., 2009. *Unravelling the Policy-Making Process: The Case of Chilean Poverty-Alleviation Policy*. PhD Thesis. London School of Economics and Political Science.

Quintana, P., 2011. Protección Social en Chile. Avances y desafíos en la experiencia de Chile, 1990 - 2010. [online] Diálogos de Protección Social. Buenos Aires, Argentina: CIPPEC - Fundación Tzedaká - Universidad de San Andrés. Available at: <<http://www.igualdad.cl/wp-content/uploads/2011/07/Proteccion-Social-Basada-en-Derechos.pptx>> [Accessed 22 Sep. 2017].

Raczynski, D., 1995. Focalización de programas sociales: Lecciones de la experiencia chilena. In: J. Vial, D. Raczynski and C. Pizarro, eds., *Políticas económicas y Sociales en el Chile Democrático*. Santiago, Chile: CIEPLAN.

Raczynski, D., 2002. *Políticas Sociales y de Superación de la Pobreza de Chile*. [online] Center for Latin American Social Policy - University of Texas. Available at: <<http://lanic.utexas.edu/project/etext/llilas/claspo/overviews/chilsocpol90s.pdf>> [Accessed 20 Sep. 2017].

Raczynski, D., 2008. *Sistema Chile Solidario y la Política de Protección Social de Chile - lecciones del pasado y agenda para el futuro*. [online] Sao Paulo, Brazil and Santiago, Chile: Instituto Fernando Henrique Cardoso & CIEPLAN. Available at: <<http://www.plataformademocratica.org/Publicacoes/224.pdf>> [Accessed 27 Mar. 2016].

Raczynski, D. and Romaguera, P., 1995. Chile: Poverty, Adjustment and social policies in the 1980s. In: N. Lustig, ed., *Coping with Austerity: Poverty and Inequality in Latin America*. Washington D.C., US: Brookings Institution Press.

Raczynski, D. and Serrano, C., 2005. Las políticas y estrategias de desarrollo social. Aportes de los años 90 y desafíos futuros. In: P. Meller, ed., *La paradoja aparente. Equidad y eficiencia: resolviendo el dilema*. Santiago, Chile: Taurus.

Raczynski, D. and Valderrama, C., 2007. *Evaluación de impacto programa Chile Barrio, informe final revisado*. [online] Santiago, Chile: Asesorías para el Desarrollo. Available at: <<http://www.asesoriasparaeldesarrollo.cl/docs/887693822.pdf>> [Accessed 22 Sep. 2017].

Rank, M.R., 2016. Conclusion: Toward a New Paradigm for Understanding Poverty. In: D. Brady and L.M. Burton, eds., *The Oxford Handbook of the Social Science of Poverty*. New York, US: Oxford University Press.

Ravallion, M., 2016. *The Economics of Poverty. History, Measurement and Policy*. New York, US: Oxford University Press.

- Repetto, A., 2016. Crecimiento, Pobreza y Desigualdad: La Vía Chilena. *Economía y Política*, 3(1), pp.71–101.
- Riesco, M., 2009. El modelo social chileno comienza a cambiar. *Revista Internacional del Trabajo*, 128(3), pp.311–330.
- Ritchie, J., Lewis, J., Elam, G., Tennant, R. and Rahim, N., 2014. Designing and Selecting Samples. In: J. Ritchie, J. Lewis, C.N. McNaughton and R. Ormston, eds., *Qualitative Research Practice, A Guide for Social Science Students and Researchers*, Second. London, UK: Sage.
- Robertson, S.L. and Dale, R., 2014. Towards a ‘critical cultural political economy’ account of the globalising of education. *Globalisation, Societies and Education*, 13(1), pp.149–170.
- Robles, C., 2012. *Social Protection System in Latin America and Caribbean: Chile*. Documentos de Proyecto. [online] Santiago, Chile: ECLAC – GIZ. Available at: <<http://www.cepal.org/es/publicaciones/sistemas-de-proteccion-social-en-america-latina-y-el-caribe-chile>> [Accessed 22 Sep. 2017].
- Robles, C., 2013. Los desafíos de la protección social en un país de renta alta: el caso chileno. *Revista Uruguaya de Ciencia Política*, 22(2), pp.123–144.
- Rodrik, D., 2006. Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank’s Economic Growth in the 1990s: Learning from a Decade of Reform. *Journal of Economic Literature*, 44(4), pp.973–987.
- Rojas, C., 2010. Gobernar la extrema pobreza: un análisis del dispositivo de intervención Chile Solidario-Puente. In: V. Lemm, ed., *Michel Foucault: Biopolítica y Neoliberalismo*. Santiago, Chile: Editorial Universidad Diego Portales.
- Rose, M.E., 1990. Poverty and Self-Help: Britain in the 19th and 20th Centuries. *ReFresh - Recent Findings of Research in Economic & social History*, 11(Autumn).
- Rose, N., O’Malley, P. and Valverde, M., 2006. Governmentality. *Annual Review of Law and Social Science*, 2(1), pp.83–104.
- Rubin, H. and Rubin, I., 1995. *Qualitative Interviewing: The Art of Hearing Data*. Thousand Oaks, US: Sage.
- Ruiz-Tagle, J., 2011. La superación de la pobreza en Chile durante el primer año del gobierno de Sebastián Piñera. *Revista Política*, 49(2).
- Ruz, M.A. and Palma, J., 2005. *Análisis del Proceso de Elaboración e Implementación del Sistema Chile Solidario*. Programa Participación, Ciudadanía y Políticas Públicas - Instituto de Asuntos Públicos. Santiago, Chile: Universidad de Chile.
- Saborido, M., 2005. *El Programa Chile Barrio: lecciones y desafíos para la superación de la pobreza y la precariedad habitacional*. Documentos de Proyecto. Santiago, Chile: CEPAL.
- Salazar, G. and Pinto, J., 1999. *Historia contemporánea de Chile. Vol. I*. Santiago, Chile: LOM.
- Sanhueza, C., 2010. En Busca del Ingreso Ético Familiar. *Observatorio Económico, Facultad de Economía y Negocios, Universidad Alberto Hurtado*, 20.

- Santiago, A.M., 2015. Fifty Years Later: From a War on Poverty to a War on the Poor. *Social Problems*, 62(1), pp.2–14.
- Santos, M.E., Villatoro, P., Mancero, X. and Gerstenfeld, P., 2015. *A Multidimensional Poverty Index for Latin America*. OPHI Working Paper No. 79. Oxford, UK: OPHI.
- Saunders, P., 2010. Inequality and Poverty. In: F. Castles, J. Lewis, H. Obinger and C. Pierson, eds., *The Oxford Handbook of the Welfare State*. Oxford, UK: Oxford University Press.
- Sayer, A., 2000. *Realism and Social Science*. London, UK: Sage.
- Sayer, A., 2010. *Method in Social Science. A realist approach*. Second (Revised) ed. New York, US: Routledge.
- Scott, J., 1994. *Poverty and Wealth: Citizenship, Deprivation and Privilege*. New York, US: Longman publishing.
- Sen, A., 1983. *Poverty and Famines: An Essay on Entitlement and Deprivation*. Oxford University Press.
- Sen, A., 1985. A Sociological Approach to the Measurement of Poverty: A Reply to Professor Peter Townsend. *Oxford Economic Papers*, 37(4), pp.669–676.
- Sen, A., 1995. *Inequality Reexamined*. New York: Oxford University Press.
- Sen, A., 1997. Editorial: Human Capital and Human Capability. *World Development*, 25(12).
- Sen, A., 2000. *Development as Freedom*. New York, US: Alfred A. Knoff.
- Shaffer, P., 2011. Against Excessive Rhetoric in Impact Assessment: Overstating the Case for Randomised Controlled Experiments. *Journal of Development Studies*, 47(11), pp.1619–1635.
- Shaffer, P., 2015a. Two Concepts of Causation: Implications for Poverty. *Development and Change*, 46(1), pp.148–166.
- Shaffer, P., 2015b. World development report 2015: mind, society, and behavior, by the World Bank Group. *Canadian Journal of Development Studies / Revue canadienne d'études du développement*, 36(4), pp.578–581.
- Shaffer, P., 2016. Moving the Discussion from Poverty to Inequality: Implications for Evaluation. In: *Poverty, Inequality and Evaluation. Changing Perspectives*. Washington D.C., US: The World Bank.
- Shildrick, T. and MacDonald, R., 2013. Poverty Talk: How People Experiencing Poverty Deny Their Poverty and Why They Blame 'The Poor'. *The Sociological Review*, 61(2), pp.285–303.
- Simmel, G., 2009. The Poor Person. In: A.J. Blasi, A.K. Jacobs and M. Kanjirathinkal, eds., *Georg Simmel - Sociology, Inquiries into the Construction of Social Forms. Vol. II*. Leiden, The Netherlands: Koninklijke Brill.
- Siri, G., 1996. Social Investments Funds in Latin America. *Cepal Review*, 59, pp.9–23.
- Solimano, A., 2012. *Chile and the Neoliberal Trap*. New York, US: Cambridge University Press.

Somers, M. and Block, F., 2005. From poverty to perversity: Ideas, markets, and institutions over 200 years of welfare debate. *American Sociological Review*, 70(2), pp.260–287.

Spencer, L., Ritchie, J., Ormston, R., O'Connor, W. and Barbard, M., 2014. Analysis: Principles and Processes. In: J. Ritchie, J. Lewis, C.N. McNaughton and R. Ormston, eds., *Qualitative Research Practice, A Guide for Social Science Students and Researchers*, Second. London, UK: Sage.

Spicker, P., 2007a. Definitions of Poverty: Twelve Clusters of Meanings. In: P. Spicker, S. Alvarez Leguizamon and D. Gordon, eds., *Poverty: An International Glossary*, Second. London, UK: Zed Books - CROP.

Spicker, P., 2007b. *The Idea of Poverty*. Bristol, UK: The Policy Press.

Standing, G., 2011. Behavioural conditionality: why the nudges must be stopped – an opinion piece. *Journal of Poverty and Social Justice*, 19(1), pp.27–38.

Stone, R., 1997. *Some British Empiricists in the Social Sciences, 1650-1900*. Cambridge, UK: Cambridge University Press.

Sugiyama, N.B., 2011. The diffusion of Conditional Cash Transfer programs in the Americas. *Global Social Policy*, 11(2–3), pp.250–278.

Sum, N.-L., 2009. The production of hegemonic policy discourses: 'competitiveness' as a knowledge brand and its (re-)contextualizations. *Critical Policy Studies*, 3(2), pp.184–203.

Sum, N.-L. and Jessop, B., 2013. *Towards a Cultural Political Economy*. Cheltenham, UK: Edward Elgar.

Tabbush, C., 2010. Latin American Women's Protection after Adjustment: A Feminist Critique of Conditional Cash Transfers in Chile and Argentina. *Oxford Development Studies*, 38(4), pp.437–459.

Teichman, J., 2007. Multilateral lending institutions and transnational policy networks in Mexico and Chile. *Global Governance*, 13(4), pp.557–573.

Therborn, G., 2015. Moments of Equality: Today's Latin America in a Global Historical Context. In: B. Fritz and L. Lavinias, eds., *A Moment of Equality for Latin America? Challenges for Redistribution*. Surrey, UK: Ashgate.

Townsend, P., 1979. *Poverty in the United Kingdom, A survey of household resources and standards of living*. Berkeley, US: University of California Press.

Trucco, D. and Nun, E., 2008. *Informe de Sistematización de Evaluaciones Cualitativas del Programa Puente y el Sistema de Protección Chile Solidario*. Santiago, Chile: PNUD.

Turner, K. and Lehning, A.J., 2007. Psychological Theories of Poverty. *Journal of Human Behavior in the Social Environment*, 16(1–2), pp.57–72.

UN, 2009. *Promotion and protection of all human rights, civil, political, economic, social and cultural rights, including the right to development. Report of the independent expert on the question of human rights and extreme poverty, Magdalena Sepúlveda Carmona*. New York, US: United Nations.

UNSD, 2013. *2012 International Trade Statistics Yearbook*. UNSD - UN Statistics Division. [online] New York, US: United Nations. Available at:

<<https://comtrade.un.org/pb/downloads/2012/ITSY%202012%20Vol%20I.pdf>> [Accessed 19 Aug. 2017].

Valdés, M.F., 2015. Is Tax Policy Becoming more Pro-Equity in the Region? Five Case Study of Commodity-Dependent Economies. In: B. Fritz and L. Lavinas, eds., *A Moment of Equality for Latin America? Challenges for Redistribution*. Surrey, UK: Ashgate.

Valencia Lomelí, E., 2008. Conditional Cash Transfers as Social Policy in Latin America: An Assessment of their Contributions and Limitations. *Annual Review of Sociology*, 34(1), pp.475–499.

Vargas, L.H., 2011. Chile Solidario: Pasado y futuro de la vía chilena a la protección social (2003–2011). *Revista CIS*, 14, pp.23–44.

Vargas, L.H., 2014. Inclusión laboral y productiva de los beneficiarios de Chile Solidario e Ingreso Ético Familiar. Articulación entre transferencias monetarias e intervenciones para la inclusión social y productiva. Antigua, Guatemala: ECLAC.

Velásquez, M., 2010. *Seguros de desempleo y reformas recientes en América Latina*. Macroeconomía del Desarrollo, No. 99. Santiago, Chile: CEPAL.

Villatoro, P., 2008. CCTs in Latin America: Human Capital Accumulation and Poverty Reduction. *Poverty in Focus - International Poverty Centre (IPC)*, 15.

Villatoro, P., 2012. Experiencias de Reducción de la Pobreza en América Latina: Los Programas de Transferencias Condicionadas. In: J.A. Alonso, ed., *La Empresa en tiempos de cambio: la RSC y los negocios inclusivos*. Madrid, España: Fundación Carolina and Siglo XXI.

Vu, C.M., 2010. The Influence of Social Science Theories on the Conceptualization of Poverty in Social Welfare. *Journal of Human Behavior in the Social Environment*, 20(8), pp.989–1010.

Walker, R., 2014. *The Shame of Poverty*. Oxford, UK: Oxford University Press.

Watkins-Hayes, C. and Kovalsky, E., 2016. The discourse of Deservingness. Morality and the dilemmas of Poverty Relief in Debate and Practice. In: D. Brady and L.M. Burton, eds., *The Oxford Handbook of the Social Science of Poverty*. New York, US: Oxford University Press.

Welshman, J., 2002. The cycle of deprivation and the concept of the underclass. *Benefits*, 10(3).

Welshman, J., 2013. *Underclass: A History of the Excluded Since 1880*. Second ed. London, UK: Bloomsbury.

Wiggan, J., 2012. Telling stories of 21st century welfare: The UK Coalition government and the neo-liberal discourse of worklessness and dependency. *Critical Social Policy*, 32(3), pp.383–405.

Wilson, W.J., 2011. Reflections on a Sociological Career that Integrates Social Science with Social Policy. *Annual Review of Sociology*, 37(1), pp.1–18.

World-Bank, 2017. *World Bank Data*. [online] Available at: <<https://data.worldbank.org/>> [Accessed 25 Sep. 2017].

Wright, S., 2012. Welfare-to-work, Agency and Personal Responsibility. *Journal of Social Policy*, 41(02), pp.309–328.

Wright, S., 2016. Conceptualising the active welfare subject: welfare reform in discourse, policy and lived experience. *Policy & Politics*, 44(2), pp.235–252.

Wright, S.E., 1993. Presidential Address: Blaming the Victim, Blaming Society or Blaming the Discipline: Fixing Responsibility for Poverty and Homelessness. *The Sociological Quarterly*, 34(1), pp.1–16.

Yeo, A., Legard, R., Keegan, J., Ward, K., McNaughton, C.N. and Lewis, J., 2014. In-Depth Interviews. In: J. Ritchie, J. Lewis, C.N. McNaughton and R. Ormston, eds., *Qualitative Research Practice, A Guide for Social Science Students and Researchers*, Second. London, UK: Sage.

Appendix

Appendix 1- Sample Extended

Group and subgroup	Programme	No.	Name		Brief Description ¹⁴⁶	Code
Researchers or academics with expertise related to the programmes.	Both Programmes	1	Irma Arriagada	Yes	Researcher specialised in Gender – Affiliated to “ECLAC”	Researcher-1
		2	Simone Cecchini	Yes	Researcher specialised in Social Protection– Affiliated to “ECLAC”	Researcher-2
		3	Mauricio Rosenbluth	Yes	Researcher specialised Poverty – Affiliated to “National Foundation for Overcoming Poverty”	Researcher-3
		4	Ignacia Fernández	Yes	Researcher specialised in Social Protection– Affiliated to “Centro Latinoamericano para el Desarrollo Rural”	Researcher-4
		5	Carolina Rojas	Yes	Researcher specialised in SCH – PHD topic in SCH	Researcher-5
		6	Pablo Villatoro	Yes	Researcher specialised in CCTs – Affiliated to “ECLAC”	Researcher-6
		7	Rodrigo Troncoso	Yes	Researcher specialised in Public Policies – Affiliated to “Libertad y Desarrollo”	Researcher-7
		8	Benito Baranda	Yes	Researcher specialised in Poverty – Affiliated to “America Solidaria”	Researcher-8
		9	Juan Carlos Feres	Yes	Researcher specialised Poverty – Affiliated to “ECLAC”	Researcher-9
Politicians who participated in policy design.	Solidarity Chile (SCH)	10	Andres Palma	Yes	Former Minister of MIDEPLAN – Former Director of Chile Neighbourhood	Politician-SCH-1
		11	Marcelo Carvallo	Yes	Former Deputy Minister of MIDEPLAN – Former Deputy Director of Chile Neighbourhood	Politician-SCH-2

¹⁴⁶ In the case of the participant which want their identity concealed, the description is vaguer.

		12	Mario Marcel	Yes	Former Director of Budget Office	Politician-SCH-3
		13	Cecilia Perez	Yes	Former Minister of MIDEPLAN	Politician-SCH-4
		14	No name	No	Former Minister or Deputy Minister of MIDEPLAN	Politician-SCH-5
			No name	No	Politician already identified which, for a specific part of the interview, asked to be nameless	Politician-SCH-6
	Ethical Family Income (EFI)	15	No name	No	Former Chief of Division in Social Development Ministry	Politician-EFI-1
		16	No name	No	Former Minister or Deputy Minister of Social Development Ministry	Politician-EFI-2
Bureaucrats or technocrats who worked in policy design.	Solidarity Chile	17	María Pía Martín	Yes	Former Advisor in public policies, Presidency's Office	Bureaucrat-SCH-1
		18	Leonardo Moreno	Yes	Former Bureaucrat of MIDEPLAN, Social Division – Now, Researcher specialised in Poverty – affiliated to National Foundation for Overcoming Poverty	Bureaucrat-SCH-2
		19	No name	No	Former Bureaucrat of Budget Office	Bureaucrat-SCH-3
		20	Patricia Jara	Yes	Former Bureaucrat of MIDEPLAN, Social Division	Bureaucrat-SCH-4
		21	Lucía Vivanco	Yes	Former Bureaucrat of MIDEPLAN, Social Division	Bureaucrat-SCH-5
	Ethical Family Income	22	No name	No	Former Bureaucrat of Social Development Ministry	Bureaucrat-EFI-1
		23	Slaven Razmilic	Yes	Former Bureaucrat of Budget Office	Bureaucrat-EFI-2
		24	No name	No	Former Bureaucrat of Social Development Ministry	Bureaucrat-EFI-3
		25	Rodrigo Sobarzo	Yes	Former Bureaucrat of Labour Ministry	Bureaucrat-EFI-4
	Both Programmes	26	Mirtha mora	Yes	Former Bureaucrat of MIDEPLAN and Continued in Social Development Ministry	Bureaucrat-Both-1
		27	Teresa Maffei	Yes	Former Bureaucrat of MIDEPLAN and Continued in Social Development Ministry	Bureaucrat-Both-2
	Advisors of policy design.	28	Berta Telteimbong	Yes	Former Bureaucrat of MIDEPLAN, Social Information Division	Advisor-SCH-1
		29	No name	No	Former Bureaucrat of MIDEPLAN	Advisor-SCH-2

		30	German Puentes	Yes	Former Bureaucrat of MIDEPLAN - PHD topic in Poverty Policies	Advisor-SCH-3
		31	No name	No	Researcher specialised in Public Policies – Participated as advisor in early stages of SCH	Advisor-SCH-4
	Ethical Family Income	32	Osvaldo Larrañaga	Yes	Member of advisor committee of the EFI - Researcher specialised in Public Policies	Advisor-EFI-1
		33	Cristóbal Huneeus	Yes	Member of advisor committee of the EFI	Advisor-EFI-2
		34	No name	No	Advisor of the Social Development Ministry	Advisor-EFI-3

Appendix 2- Consent Form in English

Patricio Olivera Z.

SPAIS

4 Priory Road

Bristol

BS8 1TY

Po13455@bristol.ac.uk



Consent Form for Project: "Analysis of the emergence of two Chilean Conditional Cash Transfer programmes".

Please tick the appropriate boxes

I confirm that I am 18 years of age or above ☐

I have read and understood the project information sheet dated DD/MM/YYYY. ☐

I have been given the opportunity to ask questions about the project. ☐

I agree to take part in the project. Taking part in the project will include being interviewed and recorded (audio). ☐

I understand that my taking part is voluntary; I can withdraw from the study at any time and I will not be asked any questions about why I no longer want to take part. ☐

Select only one of the next two options:

I would like my name used where what I have said or written as part of this study will be used in reports, publications and other research outputs so that anything I have contributed to this project can be recognised. ☐

I do not want my name used in this project. ☐

I understand my personal details such as phone number and address will not be revealed to people outside the project. ☐

I understand that my words may be quoted in publications, reports, web pages, and other research outputs but my name will not be used unless I requested it above. ☐

I understand that the University of Bristol will use the data I provide for no purpose other than research. ☐

☐

Name of Participant

Signature

Date

Name of Researcher

Signature

Date

Appendix 3- Consent Form in Spanish

Patricio Olivera Z.
SPAIS
4 Priory Road
Bristol, BS8 1TY
Po13455@bristol.ac.uk



Formulario de consentimiento del proyecto: "Analysis of the emergence of two Chilean Conditional Cash Transfer programmes".

Por favor marque los cuadros apropiados

Confirmando que tengo 18 años o más ☐

He leído y entendido el "project information sheet" fechado el 21/09/2015. ☐

He tenido la oportunidad de hacer preguntas acerca del proyecto. ☐

Estoy de acuerdo con ser parte del Proyecto. Tomar parte incluye ser entrevistado y grabado (audio). ☐

He entendido que tomar parte del estudio es voluntario y puedo retirarme de éste en cualquier momento y que no seré preguntada sobre el motivo de mi retiro. ☐

Seleccione una de las siguientes opciones:

Me gustaría que mi nombre sea puesto donde algo que haya dicho o escrito como parte de este estudio sea usado en reportes, publicaciones u otros resultados de la investigación. De esta manera cualquier contribución a este proyecto podrá ser reconocida. ☐

No quiero que mi nombre sea usado en este Proyecto. ☐

Entiendo que mis datos personales tales como teléfonos o direcciones no serán revelados a personas fuera del Proyecto. ☐

Entiendo que mis palabras pueden ser citadas en publicaciones, reportes, páginas webs u otros resultados de esta investigación, pero mi nombre no será usado salvo que yo lo requeriré más arriba. ☐

Entiendo que la Universidad de Bristol usará la información que estoy proporcionando para no otro propósito que investigación. ☐

☐

Name of Participant

Signature

Date

Name of Researcher

Signature

Date

Appendix 4- Information Project Sheet

Patricio Olivera Z.

SPAIS

4 Priory Road

Bristol

BS8 1TY

Po13455@bristol.ac.uk



Information project sheet: “Analysis of the emergence of two Chilean Conditional Cash Transfer programmes”.

El presente estudio analiza los programas de alivio a la pobreza en Chile, particularmente dos programas –Chile Solidario e Ingreso Ético Familiar– que tienen como objetivo combatir la pobreza mediante la estrategia de transferencias condicionadas. La pregunta principal que guía esta investigación es la siguiente: Por qué se optó por las particulares características de estos programas (que los convierten en programas de transferencias condicionadas) para combatir la pobreza en Chile? Para contestar esta pregunta dos aspectos relacionados deben ser abordados: primero, el proceso de diseño de la política; segundo, el significado de aquellas características. Estos dos aspectos son constitutivos del proceso de formulación y serán abordados de manera integrada.

Patricio Olivera Z.

21/09/2015

Name of Researcher

Signature

Date